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Confronting Change

Image vs. Substance In Asia's Recovery

By John Vinocur
International Herald Tribune

TOKYO — Beyond the reports of bottoming-outs, the dawn-sightings, the flickering stock rallies and the micro upticks in the indices of despair, Asia trudges on in its economic crisis. It is hard to get better soon, all at once, because this is no cyclical contretemps, no repair-it-while-you-wait disruption, but a crisis of society in which strong, energetic and democratic places like Japan, South Korea, Hong Kong and Thailand are faced with redefining their habits, destiny and identities.

Almost everywhere, bits of determined good news are present, glinting like handbills of small change. The Bank of Japan shifts its vocabulary so that its description of the economy

misdirected your capital — now change.

Restructuring in Asia can appear willfully hesitant because it means deep disruption: replacing an old economic order with a more merit-based system rich in risk for individuals and scarce on promises for their longtime security. The message comes from outside and says that individuals and companies will be required to face new responsibilities. For managers and politicians, this is a tough sell.

In fact, Asia's continuing uncertainty is sometimes intensified by public-relations routines and gesture-management, developed in response to the crisis, that flash the image of change but flee the substance — decisions that mean business closings, additional layoffs and banishing old elites.

The psychological implications of the crisis are vast. With the exception of government politicians in South Korea, the reality is that no wave of enthusiasm has greeted the opportunities for change.

Rather, Asians have been told that their systems, which mixed notions of lifetime employment and a business philosophy more based on growth than return on capital, cannot keep up with Western capitalism. The Asians are hearing that they must play by tougher lending rules and with priorities that stop at the bottom of the balance sheet. The West says the inconvenient, men-without-work phase is supposed to be brief.

A strong indication of the potential for resentment contained in the restructuring process came Sunday with the victory of a nationalist candidate, Shintaro Ishihara, in the election for

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First of two articles.

moves over a month from "moderated" deterioration to the appearance of a halt in decline. A government spokesman in Hong Kong actually insists his city has a big future in a coming Chinese herbal medicine boom. In Thailand, tourism blips up.

But there are legitimate doubts about how much Asia is willing to confront change.

A year and a half after the financial implosion in Asia began in the summer of 1997, there is no certainty that individual countries and economies have wholly embraced a restructuring process (largely based on the mold of modern American capitalism) whose inherent message to Asians is that, whatever your resilience and hard work, your model was wrong, your companies and banks squandered or

Trade Pact Isn't Derailed, U.S. and Beijing Insist

But Many Say That Momentum Has Been Lost

By David E. Sanger
New York Times Service

WASHINGTON — On a bitterly cold day in Beijing in early January, Alan Greenspan, the chairman of the Federal Reserve, was given a startling message by Zhu Rongji, the Chinese prime minister who was renouncing the country's economy.

Despite China's economic slowdown, Mr. Zhu said, he had decided that China was finally ready to offer huge openings of its markets — in telecommunications, banking, insurance and agriculture — in return for getting the country into the World Trade Organization.

He offered some tantalizing details, apparently hoping that Mr. Greenspan — whose own portfolio has nothing to do with trade — would make sure that the right people in Washington got the message.

They did, and over the next three months the two sides made enormous progress, resolving 95 percent of the issues that had divided them for years. But in the end, President Bill Clinton, the man who has repeatedly made commercial diplomacy the centerpiece of his foreign policy, backed away. Distracted by Kosovo, he did not let his trade negotiators know how badly he wanted a deal, officials close to the talks said, nor did he make a strong public case for what would have been the biggest economic deal in Chinese-American relations until Mr. Zhu arrived in the United States last week.

Some of his top foreign-policy aides, led by the national security adviser, Samuel (Sandy) Berger, hoped for an agreement that would bolster Mr. Zhu, whom they see as China's leading force for openness and reform.

At a recent meeting, some State Department and trade officials argued that China had moved as far as it could and that the president should accept the deal that was on the table.

But one official said that there was "a

sense it won't quite do it" with a Congress that is increasingly suspicious of China's intentions. Others expressed fears that any deal involving China would further divide Democrats, embolden labor unions and end up in a huge battle on Capitol Hill that the president would probably lose.

Moreover, some argued, the congressional battle would itself create a rallying cry for Republicans seeking an outlet to debate charges that China has stolen nuclear secrets and secretly made illegal donations to Democratic Party coffers.

In a major speech about China delivered the morning before his meeting with Mr. Zhu last week, the president

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AGENDA

Nationalist Voted Tokyo Governor

Shintaro Ishihara, a writer known for his opposition to the U.S. military presence in Japan, won the closely watched Tokyo gubernatorial election Sunday, defeating the governing Liberal Democratic Party's candidate and 17 other rivals with nearly 30 percent of the vote. Page 4.

Ignoring Appeals, India Tests Missile

India tested an upgraded version of its intermediate-range missile Sunday, defying international appeals to put its nuclear program on hold. As a result of the test, "Nobody from anywhere can dare to threaten us," New Delhi said. Page 5.

Japan Takes Bank

In a move that could signal a stepped-up effort to get Japan's banking system under control, financial regulators declared a debt-ridden regional bank insolvent Sunday and put it under government control. Page 15.

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NATO Sending 8,000 to Aid Refugees



Refugees from Kosovo, confined in a camp at Brazde, Macedonia, peering Sunday at the outside world.

Albanians Set To Turn Over Vital Facilities For Operation

By Joseph Fitchett
International Herald Tribune

PARIS — NATO countries approved plans on Sunday for a humanitarian mission to Albania to help a flood of Kosovo refugees displaced by Serbian forces. The mission will involve 8,000 allied troops, including Americans.

Albania announced that it was turning over control of its airports and ports, including military facilities, to the alliance for this purpose.

The relief operation, the first purely humanitarian venture undertaken by NATO in its 50-year history, was part of an international bid to help the impoverished country cope with 300,000 ethnic Albanians, the largest group of people displaced from Kosovo to reach another country.

On Saturday night, several thousand Kosovo refugees streamed into northern

More on Kosovo, Pages 8 and 9.

Land of Desolation Refugees Describe Destruction Of Entire Villages by the Serbs

By John Kifner
New York Times Service

KUKES, Albania — The interior landscape of the province of Kosovo is a wasteland of burned villages and wandering farm animals, empty of ethnic Albanians but swarming with Serbian troops, according to refugees who were allowed to cross into Albania over the weekend.

They said that the Serbian forces included tank columns moving in all directions and that troops were taking up quarters in damaged houses.

"It's a desert, what we have seen," said Jakup Slanaku, 41, one of about 1,500 refugees who made a circuitous 12-hour journey through central Kosovo from their village of Vragolija, just south of Pristina.

It was not clear why these villagers were moved out and allowed Friday night to leave for Albania, three days after the forces of President Slobodan Milosevic closed the border and drove an estimated 80,000 refugees back into Kosovo. Their fate remains unknown.

The accounts of the arriving villagers provide a rare glimpse inside Kosovo well into the third week of NATO's air campaign, which began March 24. Foreign journalists, aid workers and monitors were either evacuated from Kosovo or were expelled as Serbian forces began their well-organized effort to drive out or displace many of the province's majority ethnic Albanian population.

The accounts suggest that, despite the air strikes, the Serbs are still able to move and mass troops on the ground, and appear to be digging in against any possibility of ground attack. The accounts also suggest that the Serbs have created such widespread destruction that it will be difficult for the refugees ever to rebuild their lives there.



Patriarch Pavle, the head of the Serbian Orthodox Church, celebrating the Orthodox Easter. Page 8.

"Along the road, I saw many horses and cows and sheep, but no men," Mr. Slanaku said, resting with his wife in the teeming community of tents that Italians have built beside the road into Albania from Kosovo. "There were no people, only Serb forces. I have seen many tanks."

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Kosovo War Clouds NATO's Fete

Conflict in Balkans Will Overshadow Alliance's 50th Anniversary

By Tim Weiner
New York Times Service

WASHINGTON — In two weeks, the largest summit meeting in American history will take place here. Presidents, prime ministers, soldiers and statesmen from 42 nations will gather to honor the 50th anniversary of the North Atlantic Treaty Organization.

But the guests in their white ties and gowns may still be involved in a war in the Balkans, casting a pall over what was to have been a celebration.

Images of shattered towns and burning buildings will be fresh in the world's mind as the glasses clink at the White House, toasts are exchanged and President Bill Clinton proclaims a new "strategic concept" for NATO.

The ethnic Albanians of Kosovo will be "the uninvited guests at the summit," said Richard Haass, director of the Brookings Institution, and the specter of hungry and homeless refugees could haunt the glittering state dinners.

Preparations are proceeding apace. Predicting that limousines ferrying 1,700 foreign leaders and their entourages will choke the streets, the government has told 90,000 federal workers to stay home, the better to speed the Lincoln and

Cadillacs from gala to gala. But no one can stop an apparently imminent collision of pomp and war.

Some U.S. officials saw this excruciatingly awkward moment coming.

"Come late April, we could be debating the fine points of a new strategic concept while Europe faces a new humanitarian disaster, a new flood of refugees and the fourth Balkan war of this century," Deputy Secretary of State Strobe Talbott said at an international security conference in London last month.

Mr. Talbott predicted that if war came to Kosovo, it would "cast a pall" not only over the Washington summit meeting but also over world leaders' hopes "to fulfill the objectives they will set for themselves at the summit."

The "pall" has already been cast. The summit meeting now looks like "an unpleasant and inauspicious 50th anniversary," said Charles Kupchan, a former senior European affairs officer on the National Security Council.

"What was supposed to be a celebratory, self-congratulatory feast may look more like a wake, and people have to stare that in the face," said Mr. Kupchan, now a professor at

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'Transmigration' Haunts Indonesia

By Keith B. Richburg
Washington Post Service

JAKARTA — While much of the Western world's attention has been focused on the plight of the ethnic Albanians of Kosovo, some outlying parts of Indonesia have been similarly convulsed by a forced relocation that has left hundreds dead and tens of thousands displaced in the last few weeks.

Unlike in Yugoslavia, where the campaign to drive ethnic Albanians out of Kosovo appears to have been systematic and orchestrated by the army and security forces there, the violence in Indonesia has been largely spontaneous, often triggered by minor incidents that grow into full-scale ethnic rioting. Here,

the military has arrived too late to stop the slaughter, and then further inflamed passions by firing upon large crowds.

There is little that is sophisticated about Indonesia's violence; the perpetrators have been armed with swords and sharpened sticks, spears and homemade guns, and sometimes bows

Jakarta is under foreign pressure over East Timor violence. Page 4.

and arrows. On Borneo Island, where indigenous Dayak and Malay people have clashed with migrants from Madura, some victims have been decapitated, their heads displayed on poles.

"This is something we just cannot

fathom," said Marzuki Darusman, deputy chairman of Indonesia's National Commission on Human Rights. "How do you compare this with the deaths in Kosovo and Bosnia? They're doing it there in a more systematic way, separating the women and children, killing the men. But it compares with what the Dayaks are doing to the Madurese."

"It's equally tragic in terms of the loss of life," he added, "but the methods are different."

The violence has spiraled since the fall of former President Suharto last May ended 32 years of authoritarian rule and allowed long-simmering ethnic

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Bishop Carlos Belo urging calm Sunday in troubled East Timor.

Newsstand Prices	
Bahian.....1.000 B0	Malta.....55 c
Cyprus.....C £ 1.00	Nigeria.....12500 Naira
Denmark.....17 DKr	Oman.....1.250 QR
Finland.....12.00 FM	Qatar.....10.00 QR
Gibraltar.....£ 0.85	Rep. Ireland.....IR £1.10
Great Britain.....£1.00	Saudi Arabia.....10 SR
Egypt.....£E 5.50	S. Africa.....R16 incl VAT
Japan.....1.250 J0	U.A.E.....10.00 Dh
Korea.....K SH. 160	U.S. MK (Eur).....\$ 1.20
Kuwait.....700 Fils	Zimbabwe.....Zim\$40.00



Iranian Group Says It Killed Leader of War Against Iraq

Compiled by Our Staff From Dispatches

TEHRAN — A top Iranian Army officer and hero of the eight-year war with Iraq has been shot and killed here in an attack claimed by the country's main armed opposition group.

Gunmen disguised as street cleaners killed Lieutenant General Ali Sayyad Shirazi, deputy chief of staff of the armed forces, Saturday morning as he left home for work, according to an armed forces statement quoted by the official Iranian press agency, IRNA.

Spokesmen for the armed opposition group, the Mujahidin Khalq, told Western news agencies that their organization had carried out the attack.

IRNA gave no other details about how General Shirazi had died or the identity of his killers, other than to brand them "mercenary terrorist elements."

Iranian media quoted witnesses as saying General Shirazi, who had just received word of his promotion to Iran's top military rank, had been shot three times in the head and neck by gunmen dressed as municipal street cleaners.

The state-owned Kayhan Bacheha newspaper quoted witnesses as saying the gunmen had fatally wounded the general by firing into his car through the passenger window. General Shirazi was taking his child to school on his way to work, it said. He died at a hospital from his wounds shortly after the attack.

A spokesman for the Mujahidin Khalq said General Shirazi had been "responsible for purging and executing military personnel" and was believed to have been responsible for the deaths of "hundreds of thousands of teenagers" in the "unpatriotic" war with Iraq in the 1980s.

There was no independent confirmation of the Mujahidin claim, but the killing bore the hallmarks of the group's operations.

State television quoted President Mohammed Khatami as saying the assassins would be "punished for their act of treason."

General Shirazi personally led several of Iran's major offensives in the 1980-88 war with Iraq and rose to command the army's main headquarters alongside the then-commander of Iran's paramilitary Revolutionary Guard Corps, General Mohsen Rezaei.

Considered close to the conservative faction of the Islamic government, he came to be known as "Iron Man" for his exploits during the war with Iraq.

During that war, 300,000 Iranian soldiers were killed and 500,000 injured; 380,000 of those remain invalids, according to official figures.

Iran has witnessed several attacks on senior officials in recent months, and General Shirazi was the second to be killed in the past year.

In August, Assadollah Jalevardi, the former head of prisons, was gunned down in his shop in the Tehran bazaar. The Mujahidin also claimed responsibility for that attack.

Iran has urged Western governments to curb the activities of the Mujahidin, which has extensive operations in Europe and North America and maintains military bases in Iraq, near the Iranian border.

The group has recently stepped up armed actions and cross-border raids from Iraq after a period in which it unsuccessfully courted the West through political and diplomatic means.

(Reuters, AP)

Going Legit / The Yakuza's Brave New World

Japan's Mob Families Bully Their Way Into the Mainstream

By Mary Jordan and Kevin Sullivan
Washington Post Service

OSU, Japan — Tokutaro Takayama, the leader of one of Japan's most powerful yakuza crime families, hardly recognizes his beloved mob anymore. "It's not going in a good direction. I would never want to join the yakuza of today," Mr. Takayama, 71, said in a rare interview in his private office just outside Kyoto. He was surrounded by security cameras, bodyguards missing pinkies and the shiny-suited lieutenants who have been his "family" for almost 50 years.

Mr. Takayama said the yakuza in his day was a bastion of traditional Japanese values. He proudly noted that he spent 10 years in prison for, among other things, attacking a Communist with his samurai sword.

"Today, they don't care anymore about obligations, tradition, respect and dignity," said Mr. Takayama, who recently gave up day-to-day control of his Aizu-Kotetsu crime family but remains its undisputed patriarch. "There are no rules anymore. In America's pioneer days, there were rules that you should never shoot a man in the back. Today in Japan, that kind of rule is dying."

For decades, the yakuza operated largely on society's margins, wearing cartoonish, look-at-me-I'm-a-gangster black pinstriped suits, sunglasses and knee-to-neck tattoos. The public — and to a large extent, the police — ignored the gangs as they profited from gambling, prostitution, loan-sharking and corrupt ties to Japan's booming construction industry.

But in the past decade, crime families have used the nation's deepening recession to their advantage, exploiting economic weakness as an opportunity to expand. Bad times have allowed the yakuza to bully their way into legitimate real-estate, bank-lending and credit-collection businesses, earning billions in the process.

"They have spread their power to every corner of society," said Rainsuke Miyawaki, a former top police official and an expert on the yakuza. "Wherever there is money, there is yakuza." It used to be that citizens only encountered the yakuza if they ventured into society's seedy fringes. But now, "business-suit yakuza" — gangsters carrying briefcases instead of guns — are a nerve-jangling fact of life for bankers, stockbrokers, corporate chiefs and others in the law-abiding mainstream. The police estimate that these gangsters account for about 30,000 of the nation's 73,000 gang members, and the number is growing.

American companies buying distressed Japanese properties, whose market values have



'It's not going in a good direction,' said Tokutaro Takayama in his Kyoto office. 'I would never want to join the yakuza of today.'

dropped by as much as 70 percent since 1990, have included escape clauses that nullify deals if they discover yakuza involvement.

The rise of white-collar gangsters, who are perceived as typical businessmen until they threaten violence, is the "most important change this decade" in yakuza tactics, said Naoki Tani, a deputy director for organized crime at the National Police Agency. This growth means that gangs are making money and influencing lives on an unprecedented scale. It is now virtually impossible to understand many aspects of life here, from politics to the economy to sumo wrestling, without understanding how the yakuza is involved.

"These are the golden days for gangsters," said Hiroshi Yamada of the Japan Federation of Bar Associations.

Japan's trillion-dollar banking crisis, which has cost taxpayers dearly, is also linked to the yakuza. A government-financed study — the first of its kind here — looked into more than 100 cases of loans uncollected by credit agencies and found that nearly half were linked to gangsters.

Typically, when gangsters threaten a bank it drops efforts to collect on loans, especially since a Sumitomo Bank executive was killed in 1994 in what was said to be a contract killing.

Mr. Yamada said most analysts agree that the 23 major crime syndicates have combined annual income of about \$45 billion. One way gangsters earn cash is by squatting on delinquent property that a bank wants to seize. Sometimes they are paid by the property's owner, sometimes they aim to acquire the land. At foreclosure auctions, gangsters arrive and join the bidding, scaring away others and getting the property for a song.

The gangs also force prominent companies to pay them under the table to keep quiet about, for instance, a company's true losses in the recession. And as Japan spends billions to stimulate its lagging economy, the mob profits handsomely by working its long-established political connections to steer public works contracts to mob-affiliated construction companies.

As the yakuza has exploited Japan's misfortune, it has become more sinister and violent. The police say there has been an alarming in-

crease in yakuza smuggling of aliens and drugs into Japan. Much of it is done alongside violent Chinese gangs. Through March, the police had confiscated more drugs, mostly stimulants from China, than in any full year.

Few understand the intertwined worlds of politics and crime as well as Eitaro Itoyama, who spent 20 years in prison before retiring three years ago. Mr. Itoyama, 56, is a wealthy businessman who describes himself as a "fixer" between the two worlds. He said, to be clear, that he is not yakuza, and that after he left politics he severed his relations with gangsters. But he said he leaves open some channels of communication — sometimes attending crime family funerals.

AMONG the Japanese politicians with the most influence with the yakuza, I have to say it's me," said Mr. Itoyama, who agreed to an interview in the 17th-floor penthouse suite of an elegant new office building that bears his name. He said yakuza bosses view elections as business opportunities. Gangsters, he said, make unsolicited visits to promising candidates — often a conservative figure in the majority Liberal Democratic Party, whose hawkish traditional views are admired by yakuza members — and leave a "donation," perhaps tens or even hundreds of thousands of dollars.

The "gift" comes with no formal strings, Mr. Itoyama said, but the unwritten rule is clear: If the candidate wins, he must return twice the amount received. Usually, a few months after the candidate is elected, he is expected to show up at a wedding or party connected to the crime family that gave him the "donation" and leave twice that amount behind.

Mr. Itoyama said that he returned "tens of millions of yen" — hundreds of thousands of dollars — to gangsters after he won elections. To flout the custom is not wise, he said. On his right forearm is a clear reason people pay attention to the yakuza — a 15-centimeter (six-inch) scar left by a gangster who attacked him with a knife during a speech. He offered no reason for why he was attacked. "There are countless explanations," he said.

Mr. Itoyama, the largest individual shareholder in Japan Airlines, Asia's biggest air carrier, made headlines recently by revealing that a large chunk of JAL stock had been purchased by a well-known gangster. Mr. Itoyama threatened to sell his 60 million shares because, he said, a million shares had been purchased by the head of the crime family that gave him the scar on his arm 13 years ago. This revelation of mob stock ownership in one of Japan's most prominent companies offered a glimpse of how far the yakuza's tentacles have reached into legitimate business.

Venezuelan Leader's Popularity Holds, but Critics Aren't Convinced

By Larry Rohter
New York Times Service

CARACAS — To the impoverished masses who catapulted him to power, Hugo Chavez Frias is El Comandante, their protector and benefactor, the bold leader who will wipe out 40 years of inequality and corruption and redirect this country's enormous oil wealth to improve their lives.

To his opponents, the 44-year-old former army paratrooper who is Venezuela's new president represents something unsettling, even dangerous. With his talk of "revolution," his contempt for institutions he calls decadent and his violent coup attempt seven years ago, he strikes many of them as an anachronist in the making.

But whether Mr. Chavez turns out to be democrat or dictator, his charisma and his vows to overturn the prevailing order have already transformed politics in this country of 23 million people.

Trying to divine Mr. Chavez's ul-

time intentions from a flood of contradictory public pronouncements has become a popular pastime here. But ask Mr. Chavez and he classifies himself as a post-modern politician bound by none of the "Cartesian" limitations of established ideologies.

"If you try to assess me by traditional canons of analysis, you'll never emerge from confusion," he said in an interview in his office at the same presidential palace he attacked in 1992. "If you are attempting to determine whether Mr. Chavez is of the left, right or center, if he is a socialist, communist or capitalist, well, I am none of those, but I have a bit of all of those."

Mr. Chavez's minister of finance, Maritza Izaguirre Porras, describes the president, who has never held public office before, as a pragmatist going through "a process of apprenticeship."

But the president's critics argue that Venezuela, the largest supplier of crude oil to the United States in recent years, cannot afford the luxury of giving him on-

the-job training. Inflation and unemployment are near all-time highs, oil prices slumped to their lowest level in years just as Mr. Chavez was taking office in early February, and the Venezuelan economy is expected to contract this year for the second year in a row.

To deal with the situation, Mr. Chavez demanded from Congress, and received in late March, the power to rule by decree for six months.

But the main and most controversial plank of his campaign platform was a pledge to convene a constituent assembly to do away with the country's "moribund" constitution and draw up a new one. A referendum on that proposal is scheduled for April 25.

But last week, Mr. Chavez rejected the "enabling law" that Congress had approved, saying it did not go far enough. He threatened to impose a state of national emergency, which would allow him to suspend constitutional guarantees and to rule by decree.

As envisioned by Mr. Chavez and his

Fifth Republic Movement, the new constitution would grant him expanded powers and allow him to run for a second consecutive term, instead of waiting 10 years as currently required. That has led his critics to charge that he plans to make himself a caudillo, or classic Latin American military strongman.

"If I were going to be a tyrant, I would already have carried out a coup d'etat," Mr. Chavez said dismissively. "How am I going to be a caudillo when I am subject to the rules of a system?"

Fears that Mr. Chavez plans to ignore the restraints of traditional politics were fanned in mid-March after he said that he and his supporters would "take to the streets" if the Supreme Court did not allow him to organize the constituent assembly as he wanted. But when the court ruled against him, Mr. Chavez accepted the decision and now says he is trying to make his decree conform to the court ruling.

Mr. Chavez's hand has clearly been strengthened by the disrepute that clings

to the political parties that have governed Venezuela since the collapse of a military dictatorship in 1958.

"Chavez's origins are those of the 'avenger,' the instrument the Venezuelan people use to debit the account of the political class that has dominated this country for 40 years," said Antonio Castro, a conservative leader.

Traditional politicians may wince at the frankness of some of Mr. Chavez's more colorful or incendiary observations, but recent polls indicate that his support has soared since taking office.

"Chavez is of the people, with humble origins," said Eduardo Beltran, 29, a private security guard. "When have you ever seen a president of this country stop his limousine to get out and talk to the poor?"

Mr. Chavez said he was acutely aware that his every word and action were being dissected. But he said he welcomed the scrutiny and invited skeptics to "analyze with objectivity the truth of what is taking place here."

TRAVEL UPDATE

3 U.S. Airlines Plan Fare Increases

HOUSTON (AP) — Three of the largest U.S. airlines have decided to raise airfare prices by a maximum of 3 percent. Continental Airlines was the first to increase ticket prices, a move that was quickly matched by Delta Air Lines and United Airlines. But the price increase may not last long if the other leading carriers, American Airlines, Northwest Airlines and US Airways, do not follow suit, and it is not certain that they will.

Italian union leaders have confirmed that they will go ahead with a train strike called for Monday. Some transportation strikes were called off recently because of the closure of some southern Italian airports due to the NATO air strikes on Yugoslavia. (AP)

U.S. officials said they were confident that the aviation system would withstand a year 2000 computer problems after successfully completing a live test of software repairs. (AP)

This Week's Holidays

Banking and government offices may be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Bosnia, Bulgaria, Cyprus, Egypt, Georgia, Greece, Lebanon, Macedonia.

TUESDAY: Sri Lanka, Thailand.

WEDNESDAY: Bangladesh, Sri Lanka, Thailand.

THURSDAY: Mauritania, Thailand.

FRIDAY: Lebanon, Mauritania, Syria.

SATURDAY: Algeria, Bahrain, Egypt, Indonesia, Kuwait, Malaysia, Morocco, Oman, Syria, Tunisia, United Arab Emirates.

Sources: Bloomberg, Reuters.

WEATHER

Forecast for Tuesday through Thursday, as provided by AccuWeather.

Europe

City	Today	High	Low	Tomorrow	High	Low	Day After	High	Low
Algeria	64/78	78	64	64/78	78	64	64/78	78	64
Amsterdam	54/68	68	54	54/68	68	54	54/68	68	54
Athens	68/82	82	68	68/82	82	68	68/82	82	68
Bangkok	82/96	96	82	82/96	96	82	82/96	96	82
Bombay	82/96	96	82	82/96	96	82	82/96	96	82
Buenos Aires	64/78	78	64	64/78	78	64	64/78	78	64
Calcutta	82/96	96	82	82/96	96	82	82/96	96	82
Chengdu	64/78	78	64	64/78	78	64	64/78	78	64
Colon	82/96	96	82	82/96	96	82	82/96	96	82
Copenhagen	54/68	68	54	54/68	68	54	54/68	68	54
Dhaka	82/96	96	82	82/96	96	82	82/96	96	82
Dublin	54/68	68	54	54/68	68	54	54/68	68	54
Frankfurt	54/68	68	54	54/68	68	54	54/68	68	54
Geneva	54/68	68	54	54/68	68	54	54/68	68	54
Helsinki	54/68	68	54	54/68	68	54	54/68	68	54
Hong Kong	82/96	96	82	82/96	96	82	82/96	96	82
London	54/68	68	54	54/68	68	54	54/68	68	54
Los Angeles	64/78	78	64	64/78	78	64	64/78	78	64
Madrid	64/78	78	64	64/78	78	64	64/78	78	64
Moscow	54/68	68	54	54/68	68	54	54/68	68	54
Mumbai	82/96	96	82	82/96	96	82	82/96	96	82
New York	64/78	78	64	64/78	78	64	64/78	78	64
Osaka	64/78	78	64	64/78	78	64	64/78	78	64
Paris	64/78	78	64	64/78	78	64	64/78	78	64
Perth	64/78	78	64	64/78	78	64	64/78	78	64
Rangoon	82/96	96	82	82/96	96	82	82/96	96	82
San Francisco	64/78	78	64	64/78	78	64	64/78	78	64
Seoul	64/78	78	64	64/78	78	64	64/78	78	64
Singapore	82/96	96	82	82/96	96	82	82/96	96	82
Sydney	64/78	78	64	64/78	78	64	64/78	78	64
Taipei	64/78	78	64	64/78	78	64	64/78	78	64
Tokyo	64/78	78	64	64/78	78	64	64/78	78	64
Yokohama	64/78	78	64	64/78	78	64	64/78	78	64

North America

City	Today	High	Low	Tomorrow	High	Low	Day After	High	Low
Albuquerque	64/78	78	64	64/78	78	64	64/78	78	64
Anchorage	54/68	68	54	54/68	68	54	54/68	68	54
Atlanta	64/78	78	64	64/78	78	64	64/78	78	64
Boston	54/68	68	54	54/68	68	54	54/68	68	54
Chicago	54/68	68	54	54/68	68	54	54/68	68	54
Dallas	64/78	78	64	64/78	78	64	64/78	78	64
Denver	54/68	68	54	54/68	68	54	54/68	68	54
Honolulu	82/96	96	82	82/96	96	82	82/96	96	82
Los Angeles	64/78	78	64	64/78	78	64	64/78	78	64
Manila	82/96	96	82	82/96	96	82	82/96	96	82
Miami	64/78	78	64	64/78	78	64	64/78	78	64
Minneapolis	54/68	68	54	54/68	68	54	54/68	68	54
New York	64/78	78	64	64/78	78	64	64/78	78	64
Phoenix	64/78	78	64	64/78	78	64	64/78	78	64
San Francisco	64/78	78	64	64/78	78	64	64/78	78	64
Seattle	54/68	68	54	54/68	68	54	54/68	68	54
St. Louis	54/68	68	54	54/68	68	54	54/68	68	54
Tampa	64/78	78	64	64/78	78	64	64/78	78	64
Washington	54/68	68	54	54/68	68	54	54/68	68	54

Asia

		
 Unseasonably Warm	 Heavy Rain	 Heavy Snow
<h2 style="text-align: center;">Asia</h2>		
<p>Under with rain and wind to central Asia to Thursday. It is likely to be cold and windy with heavy rain on elevations, snow in the mountains of Scotland, and heavy rain in Korea and Wednesday.</p>		
<p>Mild with some sunshine in Beijing Tuesday and Wednesday, then windy and colder with rain Wednesday night into Thursday. It could shower in Tokyo Tuesday, then mild with some sunshine. Soaking rain will be over south-central China. Hot and dry from Hanoi to</p>		

: 15

POLITICAL NOTES

candidate, Bob Dole, Mrs. Dole's husband, 44 percent to 43 percent. But that margin was eclipsed by Mr. Clinton's 16-point lead among women.

This time around, Republican consultants say "the other Dole" could turn that gender gap around. "The impact of a possible Dole presidency on women is profound, and we have campaign people, men, Ari Fleischer," Elizabeth Dole talks about it and women respond to it." Her campaign people think "younger women, professional women, moderates and suburban voters," as one categorized them, will support her.

But her heavily scripted style could do her particular damage among such women, said Andrew Kohut, director of the Pew Research Center. "She can't come across as an entirely programmed candidate if she's going to do well, particularly among women who like candidates who reach out to them on a personal level."

WASHINGTON — Defense Secretary William Cohen said Sunday that the White House would seek a Gulf War-type resolution from Congress this week in support of the NATO mission in Kosovo.

"I think a resolution coming from both houses of Congress in support of carrying out this campaign to a successful conclusion would be very beneficial," Mr. Cohen said on the ABC News program "This Week."

In January, 1991 the U.S. Congress unanimously approved a resolution authorizing President George Bush to use U.S. military forces to help drive Iraq out of Kuwait.

Congress is set to return on Monday from a two-week recess to launch a full-scale debate on the U.S. role in North Atlantic Treaty Organization's military campaign in the Balkans.

(Reuters)

- Residents of Cincinnati's northern suburbs worked to salvage their belongings over the weekend after a tornado struck through the area Friday, killing four and destroying hundreds of homes.
- The Ohio Emergency Management Agency estimated that 900 homes were damaged in Hamilton, Clinton and Warren counties in southwest Ohio. Reddick Cross shelters remained open while police sealed off streets so repair crews could restore electricity and clear debris. Another round of storms were predicted in the area. (AP)
- A year after a police shootout murdered a black college student in Daytona Beach, Florida, two shootings and a stabbing left three people in the hospital Sunday, two in critical condition.
- "Whenever you have that many people in such a condensed area, sometimes these things happen," said Officer

down from 14.1 million when Mr. Clinton took office in January 1993.

As the U.S. economy continues its expansion, the new welfare numbers, the lowest since 1969, not surprisingly coincide with record drops in unemployment — to 4.2 percent in March, the lowest level in 29 years.

In announcing the figures in his weekly radio address Saturday, Mr. Clinton said that the federal government had been doing its share to help move welfare recipients into the work force.

“He said the government had hired 12,000 welfare recipients in the past two

ALBANY, New York—A court fight over New York's share of federal money for the settlement threatens to delay distribution of the money for all 46 of the states involved in the settlement say.

Tobacco companies agreed last year to pay the states \$206 billion over 25 years to cover costs of treating tobacco-related illness. But no money can flow until most of the states, as defined by a mathematical formula, have had plans for its distribution approved by state courts.

Dennis Vacco, New York's attorney general, decided last year that the state would keep 51 percent of New York's \$25 billion allocation, and the rest split between New York City and counties outside the city. New York City would receive \$6.7 billion, but Mayor Rudolph Giuliani contends that the city is being short-changed.

(NYT)

Bill Bradley speaking at a rally in Manchester, New Hampshire, where the New Jersey Democrat cast himself as the candidate of big ambitious ideas in contrast with Vice President Al Gore: "We must remember: We've done the big things in the past. We can do the big things in the future." (NYT)

[illegible]

ASIA/PACIFIC

Jakarta Hears Chorus Of Criticism on Timor

Do More to End the Violence, Australia Urges

By Michael Richardson
International Herald Tribune

SINGAPORE — As Indonesia and Portugal prepare to resume talks on the future of East Timor next week, foreign governments, the United Nations and human-rights groups alarmed by the recent rise in violence in the disputed territory are increasing pressure on Jakarta to end the conflict.

The Australian foreign minister, Alexander Downer, said Sunday that Indonesian authorities must "redouble their efforts to make sure that they act in a neutral way and do everything they possibly can to make sure violent incidents of the kind that took place last week won't occur in the future."

He was referring to the killing by pro-Jakarta East Timorese militiamen of a still unknown number of people sheltering in a church and priest's house in Liquisa, which is a center of support for groups that want independence for East Timor. The former Portuguese colony was invaded by Indonesia in 1975 and annexed the following year.

East Timor's spiritual leader, Bishop Carlos Belo, appealed for calm Sunday at a Mass outside the church in Liquisa where he said 25 people had been killed in the massacre by pro-Jakarta militiamen. Other estimates of the number killed ranged from five to 57.

A few hours earlier, the bishop suspended a church-backed attempt to negotiate between the militias and pro-independence groups, saying that he would only resume his peace initiative when a degree of calm had been restored, an aide said.

The aim of the church-mediated talks was to smooth the way for a planned consultation or vote in July, which the United Nations is organizing, on an offer by Jakarta of wide-ranging autonomy for East Timor.

The offer and details of how it is to be put to the East Timorese are supposed to

be finalized at talks in New York on April 21 and 22 between the Indonesian and Portuguese foreign ministers under the auspices of the United Nations.

But the UN mediator for East Timor, Jamsheed Marker, said in New York late Friday that the United Nations could not organize a ballot on the future of the territory unless violence stopped.

"This is a prerequisite," he said. "It is something we have told all sides, and in particular the Indonesian government."

In a surprise shift of policy, the Indonesian president, B.J. Habibie, said in January that if the East Timorese rejected the autonomy package, Jakarta would consider allowing the territory to become independent.

Elsewhere in East Timor on Sunday, militia groups opposing independence held their third mass rally in a week to prepare for what they said would be a war against those wanting to end Indonesian rule.

The militias have stepped up their show of strength since a call by the East Timorese rebel leader, Xanana Gusmao, last Monday for his guerrillas and civilian followers to defend themselves against attacks by pro-Indonesian forces.

The Indonesian government threatened Friday to return Mr. Gusmao to prison from his current house arrest in Jakarta if he did not retract within a week what it said appeared to be a declaration of war that violated the terms of his release from prison.

Bishop Belo said that the Indonesian military is supporting the militias. But Mr. Downer said Sunday — after receiving a report from an investigating team, headed by Australia's ambassador to Indonesia, who had gone to Liquisa — that the role of the Indonesian armed forces in the reported massacre was debatable.

"They clearly didn't themselves kill people," he said in an Australian tele-



East Timorese praying Sunday at a Mass outside a church in Liquisa where militias loyal to Jakarta killed pro-independence Timorese last week.

vision interview. "But there is an argument about whether they did try to stop the fighting or they didn't do enough to try to stop the fighting."

Sidney Jones, Asia director of Human Rights Watch in New York, said that the failure to disarm the East Timorese militias indicated "either the inability or unwillingness" of General Wiranto, the Indonesian armed forces commander and defense minister, to take the action.

Ms. Jones said that pro-independence forces in East Timor also had weapons and that some had been responsible for intimidation and harassment of opponents of independence.

Troops Are Accused in Attack

An East Timorese resistance spokesman on Sunday accused Indonesian troops of killing 13 civilians in an attack on a minibus in Timor. Reuters reported from Jakarta. The spokesman, Mannel Carrascalao, said from Dili that the attack had occurred on Saturday in Ermera, near Liquisa, around the same time as another civilian, pro-independence activist Antonio Lima, was killed in the same area. "It was carried out by the military and not by the paramilitaries," he said, referring to pro-Jakarta militias in East Timor.

INDONESIA: A Policy Backfires

Continued from Page 1

and religious tensions to erupt. The government has appeared ineffectual in the face of the unrest, as have the armed forces, which have been trying to repair their image after reports of human rights abuses under Mr. Suharto.

"It's getting out of hand," said Jusuf Wanandi, who heads the Center for Strategic and International Studies, a Jakarta research institute. "It's been beneath the surface for so long, and now you have a central government with no legitimacy or authority. So any spark can set it off."

Such tensions have always existed in this sprawling archipelago of hundreds of ethnic groups, Mr. Wanandi said, but "when Suharto was suppressing it, nothing happened."

Much of the unrest has its roots in the Suharto government's policy of "transmigration," a controversial practice of moving people to outlying islands to alleviate overcrowding on Java Island. To indigenous people, the migration policy was seen as a new kind of colonization by the dominant Javanese, who also brought Islam into areas that were not traditionally Muslim.

"The transmigration policy only worked in a controlled, closed society," a Western diplomat said. Indonesians now "have to learn how to live together in a less controlled environment."

There has also been natural migration outside the government's program, like the Madurese, known as aggressive traders, who moved into Kalimantan over the years. Thus, the movement of people has created an explosive mix.

Most of the violence has occurred hundreds of kilometers from the capital, in West Kalimantan on Borneo between the Dayaks and the Madurese and in the eastern Moluccas, known as the Spice Islands, where Ambonese Christians have clashed with more recent Muslim migrants in a bid to drive them out of what traditionally has been a Christian part of predominantly Muslim Indonesia.

There are no official totals, but according to press accounts, at least 200 people have been killed in the clashes on Borneo. In the Moluccas, the death toll is around 300, mostly in the capital, Am-



An East Timorese worshipper crying as Bishop Belo said Mass on Sunday.

bon, and also in Tual, on Kai Besar Island. The violence continued this weekend with the beheading of two people in Tual and the discovery of 12 bodies in a Kai Besar village.

The violence has displaced tens of thousands of people. In West Kalimantan, about 30,000 people have fled the riot areas, with 12,000 now reported living in a soccer stadium and in government buildings in the provincial capital, Pontianak. The navy is preparing to return as many as 116,000 people from Tual and the surrounding areas to their home villages. Thousands of refugees from the forced displacements in the Spice Islands are arriving every few days on ships in Surabaya, in East Java.

Added to the ethnic problems is the political violence, from East Timor, at the eastern end of the archipelago, where a church massacre Tuesday by militia forces supporting the territory's status as part of Indonesia reportedly killed as many as 25 people, to Muslim-dominated Aceh in the west, where separatists are waging low-level guerrilla warfare against the army.

The question many are asking now is: After this spasm of violence, can Indonesians learn to live peacefully together again? Or is Indonesia destined to follow the path of Yugoslavia and eventually split apart? Mr. Wanandi said, "It will take a long time, 10 years, maybe 20 years, to get back trust."

ASIA: Image vs. Substance and the Demands for Change

Continued from Page 1

the governorship of Tokyo, Mr. Ishihara has argued essentially that Japan can go its own way.

Many big companies in Japan have started the process of scaling down their operations, but the undertaking has almost no political complement, no leader bold enough to embody change, to articulate the advantages and risks of restructuring society toward more openness and initiative. Much praised by foreigners for its government's most evangelical espousal of a free-market vocabulary, South Korea gets a more balanced appraisal from the International Monetary Fund representative in Seoul who sometimes finds an "exaggerated upside bias" in how the country is viewed.

Hong Kong, with unemployment at 6 percent, a 25-year high, and the worst decline in gross domestic product since it began keeping count, spends vast sums in seminars on how to reinvent itself. Yet it deals very much less than frontally with its central problem, a reliance on property speculation that indirectly represents up to 60 percent of the value of the Hong Kong stock market and half the government's revenues, and involves the 50 percent of the population who own apartments. Like South Korea, Thailand has had public relations success for its macro-economic approach, but 46 percent of its banks' loans are nonperforming and Thai restructuring says they see only wavering progress at ground level in creating a business culture of responsibility and professionalism.

Malaysia apart, there has been little tendency to look for scapegoats for Asia's problems beyond the region, but engagement in resolving them inspires varying degrees of conviction. After 10 years of stagnation in Japan, Minoru Makiyama, chairman of Mitsubishi Corp. and chief of the loose Mitsubishi conglomerate, acknowledges that the Japanese still "must be made to see not only the necessity of change, even if it's accompanied by temporary discomfort, but also the benefits of fully taking advantage of this remarkable opportunity to redefine our society."

A European ambassador in Seoul with long experience in Asia felt that the parameters of Korea's industrial and government remodeling were coming up short of the early rhetoric. "What they are really saying now is, 'We'll do as much as we're forced to do' on things like bringing minority shareholder rights to the big conglomerates or letting in Western products. From the big companies' point of view, the reforms are now a technical question: How far do we have to go in order to get away with it?" — submitting to new rules of competition, lending and pricing.

The prospect of deep change can be exceptionally threatening and suffocating. Significantly, it scares and intimidates not only the political and business leadership of Asia's most evolved societies, but also average citizens who hardly see themselves being liberated from exploitation through the transformations at hand and who fear abandoning the region's own softer method, which brought many of its people a first measure of prosperity.

Nothing is turning out to be easy. In Thailand, a government commission offering repossessed assets for sale found buyers for barely 10 percent of them. Excluding Japan, merger and acquisition activity in Asia — in theory an index of how much business is opening up to foreign owners, new ideas and better management — fell by 17.7 percent last year and is expected to continue downward in 1999, according to IFR Securities Data.

Hong Kong has boasted of creating a so-called Cyberport that was meant to serve as a center for the development of high-tech enterprise, but the local press savaged it as a glorified real-estate development reeking of now supposedly scorned friends-and-family capitalism. Then the city's doom doctors competed in finding negative examples of where Hong Kong's evolution was heading: in 50 years, one said, it would be like another former financial center, Philadelphia; a second suggested Luxembourg.

Bringing a serious legal framework of regulations and audits to areas of banking where they had not been present, a major undertaking in Japan, South Korea and Thailand, is a vast and complex matter. But the implications for Asian society are less direct and breathtaking than a suggestion in early April from Donna Shalala, the U.S. health secretary, that Japan — facing rising unemployment — could well liberate women from the country's social tradition of wives' biding responsibility for the care of aging parents and send them off to work.

The social cost of even Japan's tentative steps toward restructuring is no abstract concept. The Health and Welfare Ministry reported last month that 27,102 people had killed themselves in the first 10 months of 1998, a record for any 12-month period, with a particularly dramatic rise among men in their 50s. In South Korea, where there were stories of employees' going into hiding to flee the shame of losing a job, average per capita income has fallen during the crisis from \$10,000 to \$7,000, and unemployment rose to 8.7 from 2 to 3 percent.

Beyond the question of creating banks that provide money to qualified lenders, of corporations that invest money in proj-

ects on the basis of return on capital, of governments that refrain from designating favored borrowers, the stability and cohesiveness of Asian societies can appear to be a matter of growing concern.

Each of four areas visited for this article — chosen in part for the possibility of open discussion of their futures — was dealing with the short-term prospect of more unemployment, more dislocation and more estrangement from their societies' sense of community solidarity and goals. In South Korea — the object of so much applause for the government's statements of democratic reform and attempts to bring the country's chaebol, or massive conglomerates, under control — Lee Bu Yung, an opposition member of Parliament who spent seven years in jail for his political convictions, says:

"We don't have the social welfare system or the mobility to manage what the government wants. There may be a calamity. They say it will work out in the long run, be patient, but nothing they've done has been justified so far."



Minoru Makiyama, left, chairman of Mitsubishi Corp., says Japan must take advantage of this chance 'to redefine society.' Jean-Michel Severino, the World Bank's vice president for East Asia and the Pacific, says changes in the region 'will take a generation.'



regional magazine Asiaweek reported that Sooy, which announced big reductions in staff, appeared in fact to have avoided firings in Japan. General Japanese awareness of the dimensions of the problem is real, but Japanese wealth, now being pumped into the economy through government subsidies and projects, seems to have dulled a sense of urgency. This is described in Japanese as the Boiling Frog Phenomenon — a situation in which the frog cannot jump out of the pot because the water temperature has been raised so gradually as to completely dull its capacity to react.

With a gross domestic product that is about five times the size of the rest of the region, excluding China and India, and an economy that accounts for more than 15 percent of the region's imports, a Japan reawakened could help lift Asia from its crisis. There are bullish analysts: Richard Jerram, chief economist of ING Barings Securities in Tokyo, says that "the system is a mess" but that there are reasonable situations in which banks could begin to lend again, "so it's possible we might see a reflationary

discourse, with the president's economic adviser Kang Bong Kyun doing the talking, sounds like this: "If Daewoo is reluctant to reform, to cut employees, then they'll need more money. They'll go to the banks, and they'll come here to the Blue House — but they'll find that economy doesn't operate any more."

These days, a contrasting view on Korea is emerging that says the reforms' momentum has peaked and that the chaebol, with foreign exchange and liquidity available after the International Monetary Fund's intervention, have perhaps become stronger, shorn of power and their least productive businesses. Milton Kim, who runs his own investment company, is the sixth son of the founder of the Ssangyong Group. He sees the conglomerates' motivation for change, for not attempting to dominate banks and suppliers, diminishing. "Why should they change now?" he asks.

In fact, says Stephen Marvin, an economist at Jardine Fleming Securities, the government has forced banks to provide credit to 18 nonviable second-string chaebol. This has sucked credit out of

surge." The doubters, however, make up the majority. "The healthy thing," says Alicia Ogawa, a managing director at Nikko Salomon Smith Barney, "is that you can't maintain the status quo to the extent you need in the past. But the driving force nonetheless is to hold on to it to the fullest extent possible."

SOUTH KOREA

Until now, the dominant perception of South Korea has been that it experienced the region's most dramatic turnaround, moving quickly away from a closed, feudal network of big chaebol, big government and their compliant hostage banks to a new level of democracy and economic modernity with Kim Dae Jung in the presidential Blue House. The new

banking system and hurt competitors — and contradicts the government's public relations image. Mr. Marvin says. Overall, he contends, while South Korea may grow at 2 percent this year, it also expanded borrowing and plant capacity, moving back toward its old maladies of excess.

For now, the chaebol, while making some concessions, have fought off attempts to bring extended rights for minority shareholders to their boardrooms. For John Dodsworth, the IMF's representative in Seoul, "The elements of control in relation to the chaebol are not there yet." In the view of Korea's strong labor organizations, according to Yoon Yung Mo of the Korean Confederation of Trade Unions, "There's the feeling the chaebol have gotten off scot-free and that they're dictating their terms to the government. By our estimate, 80 percent of the money available is going to the top five chaebol."

HONG KONG

In both Japan and South Korea, the concept of restructuring has largely come to take in the notion that the allocation of capital in their systems was poorly managed. In South Korea, for example, it went into the chaebol's dreams of grandeur and uneconomical factories. In Hong Kong, it was sunk into property because for more than a decade a rigged situation made real estate investment seem certain to rise in value.

Property became Hong Kong's dominant culture, but recognition of the problem's implications is scary. The notion that Hong Kong no longer has a special role as portal to China and that the city needs to recreate a function for itself has become part of the public consciousness. But almost no one has emerged to say that the way forward involves a painful weaning from a relationship that lets real estate loans envelop 48 percent of Hong Kong's borrowing, compared with 20 percent in the United States.

Property went up roughly 10 times from 1984 to 1997, making Hong Kong the second most expensive city in the world, after Tokyo, by most calculations. Since the government owns all the land and does not permit for new development in a close relationship with a small group of builders, Hong Kong property for years seemed to reflect the perfect speculative situation: controlled supply and constant demand. Now, with the Asian crisis, property values have fallen by up to 50 percent — but the government, mindful that the real estate market counts half of the Hong Kong population as investors and provides half of the government's revenues, has provided to protect the property sector. Wages, meanwhile, have barely fallen, and the property problem functions as a pro-

hibitive tax on potential new business.

Victor Pung, chairman of the Trade Development Council, is one of the few leaders who asks if "Hong Kong is willing to go through the brutality of real change?" He is not convinced it is, but insists the city cannot set itself right until property prices fall much further. He wants to push residential development over the border with China at one-tenth of Hong Kong prices. It would be a 20-year process, but "if one or two of the big developers make the break, they can make a lot of money. The others would follow. We'd be on our way."

THAILAND

The government says all the things that please its international creditors, and its macro-economic plans get solid marks from its associates like the IMF, but at the basic level of rebuilding a banking system and remaking a battered economy, the country's problems are at some distance from solution.

The structures for the task are there, but there is a leap in skills and mindsets still to be made. In a situation where 46 percent of outstanding loans are nonperforming ones, the banks do not lend. The South Korean and Thai reconstruction efforts are sometimes compared, but South Korea has immense advantages, with a dense and sophisticated industrial base and levels of professionalism to match.

Montri Chenvidyakarn, acting secretary-general of the Financial Sector Restructuring Authority, says that if Thais can regard default on a personal loan as shameful, the easy money of the boom years turned commercial loans into "convenience" without a special sense of obligation.

This kind of difficulty, he says, extended to the evaluation of assets where "the idea that assets can be distressed and that land is a commodity that varies in price" has not been driven home by the politicians. "The banks," he adds, looking weary, "have never seen themselves as economic facilitators, and the government has very little means to make them act."

Thailand's friends say that six bankruptcy courts are about to begin operations, an important practical and psychological step. But Thailand's economic conditions are now akin to those in 1990, in the view of Niramol Suriyasat, chairman of Toshiba Thailand.

And it could take another 10 years for recovery, says Masatsugu Nagato, general manager of the Industrial Bank of Japan in Bangkok. "The difficulty is a part that you have a generation of people who mostly know rolling out of bed and having money thrown at them," he says.

Next: How some Asian businesses are trying to respond to the crisis.

ASIA/PACIFIC

Though No Democrat, Zhu Shows a Flair for Campaigning

By Joseph Kahn
New York Times Service

DENVER — Chinese leaders, tutored by their own experts and legions of "foreign friends" who pass through Beijing, have learned a lesson over the years: The United States is not a one-party dictatorship.

Simple though it sounds, it has taken the Chinese government the better part of the quarter-century to digest that fact. The United States, especially when it comes to the volatile subject of China, is not one state, but 50. It has 435 political factions, each with its own seat in the House of Representatives. The media, academia and the corporate world rarely toe the "party" line.

"We used to believe that if your president and our leaders can trust one another, then there is no problem," said a Chinese Foreign Ministry official in the delegation of the visiting Chinese prime minister. "That is wrong."

This has led to the remarkable spectacle of Prime Minister Zhu Rongji, trained in the Communist Party system, cajoling members of Congress, rallying businessmen, courting the media and oozing taking his case to the American people.

Mr. Zhu, though deeply disappointed that he was unable to seal a deal last week for China's entry into the World Trade Organization, hoped but never

assumed that President Bill Clinton would deliver on the trade deal that the two sides have been negotiating in recent weeks, senior Chinese aides said in interviews Friday.

Especially given what they describe as the "bad political environment" in relation to China these days, Mr. Zhu and his advisers felt that even if the accord were signed, the prime minister would still have to "campaign" vigorously to help Mr. Clinton get it through Congress.

The idea marks a sea change in the way China deals with the United States. Chinese officials have long lamented that their fine working relationships with presidents, dating back to Richard Nixon, often do not ensure stable relations.

Now China is trying to build bridges to a more diverse group of U.S. political and business leaders. The campaign seems unlikely to generate a groundswell of support to get China into the trade group. But for the Chinese strategy to work, Mr. Zhu's aides say, it may be enough to persuade a cross-section of political, media and academic leaders that the United States can do business with China, and specifically with Mr. Zhu.

The prime minister quipped at his joint news conference Thursday with Mr. Clinton that he is a neophyte in the glare of media spotlights in Washington.



Governor Bill Owens of Colorado, left, applauding as Zhu Rongji showed off a hat Mr. Owens gave him at a state dinner. The Chinese leader visited Denver high-tech industries and the Broncos football team's headquarters.

But he appears not only to tolerate the rough and tumble of American politics but also to enjoy it, showing off his ability to make jokes and speak off the cuff.

The apparently tireless 70-year-old, unruffled despite several late-night strategy sessions and a brutal travel schedule, delved into environmental

policy at a forum with Vice President Al Gore on Friday.

The prime minister pointedly departed from his prepared text to detail environmental problems in China, moments after Mr. Gore, who is campaigning for president, delivered remarks on the subject read verbatim from a prepared statement.

China Agrees to Torture Inquiry

A United Nations investigator has said that Beijing agreed to allow him to examine allegations of torture in China. The New York Times reported from Geneva. The investigator, Nigel Rodley, said Friday that China had invited him to visit and that he planned a tour next year.

BRIEFLY

China Renews Effort To Unify with Taiwan

TAIPEI — China's top negotiator of Taiwan has renewed Beijing's proposal of a "one country, two systems" formula in seeking reunification with the nationalist island, reports here said.

In Shanghai, Wang Daohan told Han Pei-tsun, a former Taiwan prime minister and military chief, that Taipei and Beijing could be reunited under the system that has applied in Hong Kong since 1997, the United Daily News reported Saturday.

But unlike Hong Kong, Taiwan would be able to have its own military, Mr. Hao's son, Han Lung-pin, who was at the meeting Friday with Mr. Wang, told the newspaper.

Mr. Wang told Mr. Han that Taiwan's status could be discussed after reunification, the report said. (AFP)

Rockets Strike Kabul

KABUL — Three rockets struck Kabul as the Taliban chief, Mullah Mohammad Omar, ruled out further talks between the warring Afghan parties, officials and residents said Sunday.

Residents said the rockets struck late Saturday and appeared to have been fired from positions held by forces led by the northern alliance commander Ahmed Shah Masood. There were no reports of damage or casualties.

The attack came shortly after Mullah Omar said the next round of peace talks was not possible because of a refusal by the opposition northern alliance to accept a single militia leadership. (AFP)

2d Filipino Released

ZAMBOANGA, Philippines — Communist rebels Sunday released a Philippine Army sergeant after 37 days in captivity, the second of five hostages to be freed before an April 19 deadline.

About 20 New People's Army fighters turned over Sergeant Alipio Lozada in the remote village of Ditungao in the southern province of Surigao del Sur, witnesses said. "They did not hurt me; they did not hurt me," he was quoted by a local radio station as saying. (AFP)

For the Record

Singapore pork sellers "know they are not likely to have warm meat for many months," National Development Minister Lim Hng Kiang said, indicating that the country's ban on pig imports, ordered following the spread of a fatal pig-borne virus in Malaysia and Singapore, will not be lifted soon. (AFP)

The Impossible, Indispensable Queen of India Politics

By Pamela Constable
Washington Post Service

CHENNAI, India — She is a political cartoonist's dream: a temperamental, round party boss and former film star who hurls shoes at her aides, broods inside a guarded mansion in this steamy south Indian port city and regularly threatens to withdraw support from India's weak governing coalition unless its officials satisfy her latest whim.

But this time, the joke is wearing thin.

In the past two weeks, Jayalalitha Jayaram's machinations have brought Prime Minister Atal Bihari Vajpayee's government to the brink of collapse after barely a year in office. He and his opponents are scrambling to forge alternative coalitions, but the odds are rapidly increasing that Mr. Vajpayee, 76, may not last more than a few days after Parliament convenes Thursday.

"I think it's going to fall," said N. Ram, editor of Frontline, a leading south Indian magazine. "Once Jayalalitha pulls out, there is no way the government

can survive." After Mr. Vajpayee refused to meet Miss Jayaram's latest demands, she withdrew two ministers from his cabinet last week. That severed their relationship, according to top government officials, leaving Mr. Vajpayee without 18 crucial votes in his narrow parliamentary majority.

But it is far from clear who could lead or form an alternative government. Sonia Gandhi, head of the opposition Congress (I) Party and heiress to a political dynasty, raised a flurry of speculation that she might ally with Miss Jayaram (who is largely known by her first name) when she warmly greeted her rival at a political tea party recently. But Mrs. Gandhi has since made it clear she does not want to become prime minister under the current circumstances and would rather wait for an election.

As a result, the national political scene has degenerated into a volatile free-for-all in which Mr. Vajpayee's Bharatiya Janata Party and the Congress Party are scrambling to secure allies among the 39 political groups in Parliament. With only five days to go until the legislative session

opens, it is still unclear whether a vote of no-confidence will be brought against Mr. Vajpayee, and who would support whom in the resulting political vacuum.

Even if Mr. Vajpayee does survive, analysts said, any emerging coalition government would be fragile, with little mandate to forge cohesive national policies until an election is held. Whoever leads it, moreover, would be as vulnerable to the demands of untested partners as Mr. Vajpayee has been to Miss Jayaram.

"I don't see how a government cobbled together, with a razor-thin majority, can make major decisions," said Prithviraj Chavan, a member of the lower house of Parliament from the Congress Party. "It's very sad. People only want to make deals, not pay attention to national issues. In Italy, a government can fall and nothing changes. But we are not yet mature enough to delink national issues from coalition politics."

To make matters worse, Miss Jayaram's latest remarks have stirred up trouble among the armed forces. She has accused Defense Minister George Fernandes of abetting foreign terrorists and

demanded an investigation into his dismissal of the navy chief, a retired admiral who has been accused of leaking information about India's development of a nuclear submarine.

No one knows where the accusations will lead, but analysts said they threaten to politicize the military, which has long been an apolitical bulwark of Indian democracy. Since last May, when India detonated five nuclear devices, the importance of keeping the military under stable civilian leadership has become especially important.

The woman who precipitated this crisis, according to her critics, cares little about nuclear submarines or government stability. Mr. Ram, the editor, describes her as "amoral, authoritarian and extraordinarily corrupt." What she wants, he and others said, is to rebuild the political power she held from 1991 to 1996 when she was chief minister of Tamil Nadu state. Others are glad she has taken on the governing party, which they view as incompetent, unsympathetic to the poor and openly antagonistic to religious minorities.

Ignoring Appeals, India Tests Missile

Compiled by Our Staff From Dispatches

NEW DELHI — India tested an upgraded version of its intermediate-range missile Sunday, defying international appeals to put its nuclear program on hold to encourage peace overtures toward Pakistan.

India said its successful test of the missile meant that no one could threaten the country.

"We have reached the point of operationalization of Agni as a weapon system," Defense Minister George Fernandes said at a news conference called to give details of the nuclear-capable Agni II's test flight. "I believe we have reached a point where nobody from anywhere can dare to threaten us."

Officials said Pakistan had been given advance word of the test under an agreement signed by the two countries in February.

In Islamabad, Foreign Minister Sartaj Aziz confirmed that Pakistan received such a warning Saturday. (AP, Reuters, AFP)

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EUROPE/INTERNATIONAL

Primakov Urges Duma Not to Impeach Yeltsin

By David Hoffman
Washington Post Service

MOSCOW — Raising the curtain on a potentially disruptive political battle, Prime Minister Yevgeni Primakov has appealed to the lower house of Parliament to drop impeachment proceedings against President Boris Yeltsin, saying the process was "irresponsible and dangerous."

In an unusual televised address from his office Saturday, Mr. Primakov appeared to be trying to head off a confrontation between Mr. Yeltsin and his enemies among Russia's Communists and nationalists. Impeachment proceedings could also undermine Mr. Primakov's power.

The State Duma, in which the Communists and nationalists hold a majority, is to begin debating five impeachment counts against Mr. Yeltsin on Thursday.

That would be just the beginning of what could be a long process. The process is unlikely to succeed, but the prospect of such a debate has shaken the Kremlin, which hopes to avoid a protracted political conflict.

"Attempts to pass impeachment through the Duma are groundless and counterproductive," Mr. Primakov declared in his speech to the nation.

"They must not take place," he continued. "Such a political game is irresponsible and dangerous. It not only might rock society, but also could provoke a serious political crisis."

Mr. Primakov's position is tied to Mr. Yeltsin's because the prime minister is backed by the Commu-

nists in Parliament, and several members of that party serve in his cabinet.

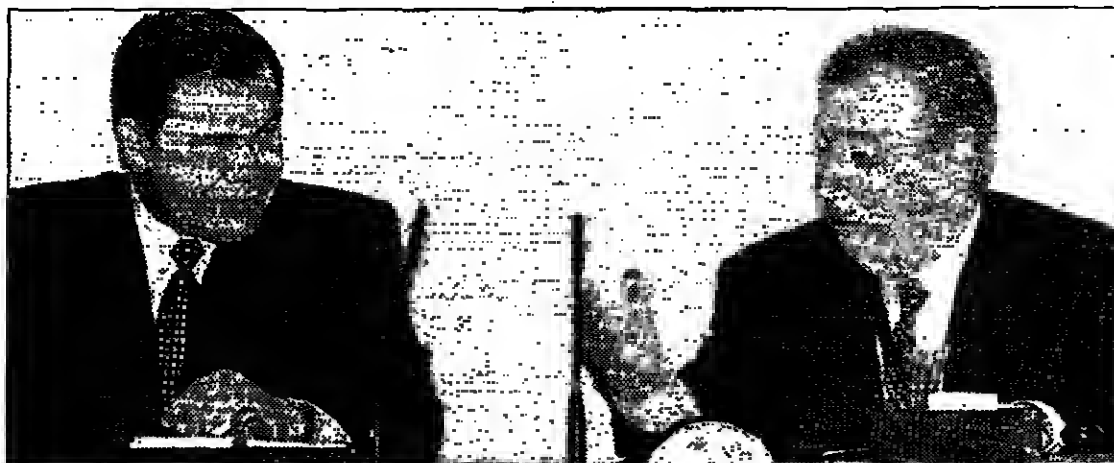
The Kremlin has hinted that if the Communists proceed with impeachment, Mr. Yeltsin may dump the cabinet and Mr. Primakov with it, or even dissolve Parliament. Once impeachment proceedings begin, however, Mr. Yeltsin is forbidden to disband the cabinet.

"Calm down!" Mr. Primakov implored Parliament's restive anti-Yeltsin forces in the televised address, saying that speculation about the dismissal of the cabinet was a "road to nowhere."

Mr. Primakov insisted anew that he had no presidential ambitions, although polls show he would be a strong contender, and his speech came a day after Mr. Yeltsin lukewarmly endorsed him.

Mayor Yuri Luzhkov of Moscow, also a potential successor to Mr. Yeltsin who has recently criticized Mr. Primakov for inaction, spoke in support of the prime minister Saturday, saying "any destabilization, including that in the composition of the government, could hurt the country."

The five charges against Mr. Yeltsin accuse him of illegally conspiring to destroy the Soviet Union in 1991; overthrowing the constitutional order and violently dispersing the elected Parliament in 1993; beginning the war in Chechnya, which resulted in tens of thousands of casualties; undermining national defense by wrecking the armed forces, and committing genocide against the Russian people through birthrates and shortened life expectancies.



Alexander Lebed, governor of the Krasnoyarsk region and a potential presidential candidate, left, and Prime Minister Yevgeni Primakov in Moscow after they agreed this weekend on a plan to renew the Krasnoyarsk coal industry. Mr. Primakov has returned to work after a brief illness.

Military in Control After Niger Assassination

The Associated Press

DOUMEGA, Niger — As dozens of soldiers in red berets stood at attention, the coffin of Ibrahim Bare Mainassara, the assassinated president of Niger, was hoisted aloft and carried Sunday into a simple tomb.

Top military leaders, government officials, opposition politicians and diplomats from around the region turned out for the funeral of Mr. Bare, who was killed in a hail of gunfire Friday morning by members of his own guard.

The funeral, in Mr. Bare's home village about 300 kilometers (185 miles) east of Niamey, came as the new military rulers of Niger were planning to name its next leader.

Government sources said leadership could be assumed by Colonel Moussa Moumouni Djermakoye, the military chief of staff.

Military leaders met with civilian politicians Saturday to discuss who would lead the country, as state radio continued in report that Mr. Bare

died in an "unfortunate accident."

But witnesses and diplomats, speaking on condition of anonymity, said Presidential Guard members repeatedly shot Mr. Bare as he crossed the runway at the Niamey airport Friday to board a helicopter.

The leader of his personal bodyguard unit, Tilly Smael, was gunned down when he tried to return fire. Local journalists said at least three soldiers and one civilian were killed.

At least six people were wounded. While it remained unclear who was behind the killing, observers said the act appeared to have support in Niger's often-fractious military, which immediately took control.

The lack of army infighting and the quick deployment of soldiers in the streets of Niamey after the killing appeared to indicate that at least some military units were behind the assassination, diplomats and local journalists said.

Hours after Mr. Bare's killing, Prime Minister Ibrahim Assane

Mayaki disbanded the National Assembly, which is dominated by members of Mr. Bare's party, and suspended all political parties.

Mr. Bare was not a popular figure. He seized power in an army coup against the first democratically elected government, led by President Mahamane Ousmane, who was arrested but later released.

During his tenure Mr. Bare faced down repeated military mutinies and protests by students and civil servants. He imprisoned opposition figures and reportedly installed relatives in profitable government jobs.

President-elect Olusegun Obasanjo of neighboring Nigeria, which is undergoing a shift from military to civilian rule, decried the killing.

"Any military takeover anywhere in the world is out of fashion and should be regarded as unfortunate," Mr. Obasanjo said Saturday. "Any short-circuit of democracy is not in the best interest of the people."

Blasts in Uganda Kill 2 and Hurt 8

Compiled by Our Staff From Dispatches

KAMPALA, Uganda — Two people were killed and four were wounded when a bomb exploded Sunday afternoon in Kampala, only hours after another blast in the capital hurt four people, witnesses said.

The second bomb went off near a public toilet in a taxi terminus in the capital, about 100 meters from where the first bomb exploded late Saturday. (AFP/Reuters)

BRIEFLY

British Architect Wins Pritzker

LOS ANGELES — The British architect Sir Norman Foster, who won celebrity status by turning tall towers and airport terminals into sleek works of art, was named Sunday the 1999 winner of the Pritzker Architecture Prize, considered the top honor in the industry.

Sir Norman will receive \$100,000 and a bronze medal at a ceremony in Berlin's Altes Museum on June 7, six days after he turns 64. Coincidentally, Sir Norman is nearing completion of the city's Reichstag building renovation.

Among Sir Norman's works are London's Stansted Airport and Hong Kong's new Chek Lap Kok airport, the Hongkong & Shanghai Bank headquarters in Hong Kong, the Metro transportation system in Bilbao, Spain, the Commerzbank building in Frankfurt-am-Main (the tallest building in Europe) and the Joslyn Art Museum addition in Omaha, Nebraska.

He is currently involved in a number of London projects, including a new Wembley stadium and a remodeling of the British Museum. (Reuters)

Cubans Fight Huge Forest Fire

HAVANA — Huge flames swept across the western Cuban province of Pinar del Rio over the weekend, devouring pine and eucalyptus trees in a blaze of "enormous proportions," the government reported.

Forest rangers, local villagers and special security forces, more than 2,000 people in all, fought to contain the fire, which covered 800 hectares (2,000 acres) on Saturday, according to the National Information Agency.

An agency spokeswoman reported that there had been no lives lost and no homes or crops damaged. (AFP)

Iran Releases German on Bail

TEHRAN — A German businessman who was sentenced to death in January 1998 after being arrested for having sex with an Iranian woman has been released on bail, but must stay in Iran, a German official said Sunday.

Helmut Hofer, 54, was "in good physical and mental health," Chancellor Gerhard Schroeder's chief of staff, Bodo Hombach, told reporters in Tehran.

Mr. Hofer's detention has been a sore point between Germany and Iran, and his release was expected to significantly help mend ties. Soon after word of his release, the Iranian press agency IRNA announced that President Mohammad Khatami had accepted an invitation to visit Germany. (AP)

3 Die in Egyptian Train Wreck

SHIRBIN, Egypt — Rescue workers used torches to cut through wreckage early Sunday and pull a third body from the twisted metal of two trains that collided Saturday evening in northern Egypt.

A preliminary investigation found that the accident was caused by a signal operator who had failed to stop one of the trains, the Middle East News Agency reported. Egyptian newspapers reported Sunday that at least one signal operator had not been present and the telephone network between stations was not working when the trains hit head-on between the towns of Shirbin and Bilqas in the Nile Delta.

The regional governor's office put the death toll at three, with 49 people injured. (AP)

LANGUAGE

There Are Never Enough Words

By William Safire
New York Times Service

WASHINGTON — Noah Webster, the political activist, journalist and educator who began his lexicographic career in the tempestuous Federal era, asked Basil Hall, a British naval officer, why he considered all American contributions to the English language unworthy. Hall's reply: "Because there are enough words already."

There are never enough words. That colloquy comes from a doozy of a book being published this week titled "Never Enough Words" (Random House, \$25), by Jeffrey McQuain, who has been both a researcher and an occasional bylined contributor in this space for 15 years. (He teaches me grammar; I teach him maverney. *Maverney* is a new word, coined five seconds ago because I couldn't come up with a way to express aficionadohood, connoisseurship or state of specialized enthusiasm. Never enough.)

Interest in coinage, or neology, is closely akin to etymology, the history of coinage and semantic development. In today's future-oriented tumbling toward the millennium, you think this glance backward is small potatoes? McQuain points us to the first definition of that British phrase, from a Boston newspaper in 1831: "When a person is guilty of a mean action, or takes much pains to make himself ridiculous, it is often said in relation to the circumstance, 'small potatoes' — rather small potatoes, and few in a hill."

That led the language maven to the opposite meaning of a garden phrase, *some pumpkins* (with the gourd's name from the French *pompon*, "melon," usually pronounced *punkins*). During our Revolutionary times, *pumpkin head* insulted New Englanders obeying the Blue Laws that enjoined males to have their hair cut round by a cap. When a cap or bowl was not available, the shell of a pumpkin was used, and *pumpkin head* was a phrase of derision. With the addition in 1846 of *some*, however, the meaning was reversed, and the politicians so described were considered highly praiseworthy.

I called McQuain's book a *doozy*, meaning "a stunning example, a wow." I've speculated that its origin is in the Duesenberg automobile of the early '30s, but according to the etymologist Gerald Cohen, that word may be an alteration of *daisy*, influenced by the Italian actress Eleonora Duse early in the 20th century (a chronological term that used to connote modernity).

Cohen, often collaborating with Barry Popik, publishes a mimeographed 16-page "Comments on Etymology" from the hallway outside his office at the University of Missouri-Rolla. (Address, Rolla, Missouri, 65401; annual subscription, \$13 for eight issues, and how far wrong can you go at less than two bucks a shot?) He is a superb phrasemaker, advertising for and reporting on origins of current slang expressions.

For example, to *hit on* takes the phrase to

come on to, or "sexually approach," to an unwanted level; when a predatory male *hits* on a woman, he harasses her and she considers him a *lech* (pronounced "lech," from *lecher*, rooted in the Germanic *leckon*, "to lick"). What is the source of the expression? *Hit* in Standard English is a verb meaning "strike," and in slang *hit up* has long meant "to seek a loan from," figuratively once removed from striking. But whence *hit on*?

One of Cohen's colleagues, a chemistry professor named Gary Bertrand, is a fisherman and provided a source of speculation. "If fish are nibbling or biting at the bait without taking the hook," reports Cohen, "the fisherman may say that the fish are *hitting on* the bait." Is the problem solved?

Could be. After citations come in from the Isaac Walton maverney, we'll reopen that can of worms. Never enough words.

Stimulated by a recent piece about *couth*, *kempt* and *gruntled*, a new division of the Lexicographic Irregulars has formed itself: The Deprefixers. My former Times colleague David Burnham, now with Syracuse University's Transactional Records Access Clearinghouse, is one. He notes the poet John Milton's use, in "Paradise Lost," of "Not nocent yet, but on the grassy Herb, with nocent ('harmful') the near-opposite of innocent."

Norman Hyman of Milwaukee sends a 1994 New Yorker article by Jack Winter: "I was furling my windy umbrella when I saw... a descript person, a woman in a state of total array. Her hair was *kempt*, her clothing *shevelled*, and she moved in a gainly way. His reaction: 'I was *plussed*. It was *concerting* to see that she was *communicado*, and it *nerved* me that she was interested in a *pareil* like me.... I acted with *mitigated* gall and made my way through the *ruly* crowd with strong *givings*.'"

Dorothy Berg of Madison, Wisconsin, and Barbara Scholl of New York directed me to the leading muse of the Deprefixers, the poet Felicia Lamport. In both her "Scrap Irony" and "Light Metres," she deprefixed furiously.

Lamport, now 83, graciously gave me permission through her husband to run her pioneering play:

Life would be such a nice *hroglio*
Running so smoothly and *mok*,
If I had a nice portfolio
Full of negotiable stock
And if it were tax-exempt,
I would be *gruntled* and *kempt*.

But that was only getting started. Then came such an outpouring of deprefixed delight not since matched:

"Nothing gives rise to such wild surmise/As the *peachable* widow with *consolate* eyes." And: "The *iguitous* girl often loses her balance/When wooed by a man with *unusual chalance*." And: "Meo often pursue in suitable style/The *imical* girl with the *scrutable* smile."

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The Institution: Founded in 1925, the Hellenic-American Educational Foundation has a distinguished tradition of educational leadership. It owns and operates two affiliated independent day schools with primary and secondary education units (Athens College - Psychiko College) in the Athens area. Total enrollment is 3,150 students with 270 faculty. All students and 85% of the faculty are Greek nationals.

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The Kosovo Problem / An 'Interim' Government?

Serbs See Progress in Talks on Kosovo and Put Death Toll at 300

By Steven Erlanger
New York Times Service

BELGRADE — Serious talks are under way to create an interim government for Kosovo, a senior Yugoslav official said over the weekend. He also said that more than 300 civilians died and nearly 3,000 more were wounded in the NATO bombings.

These are the most concrete figures for civilian casualties to emerge since the air strikes began, although they cannot be independently confirmed. There has been virtually no information about Yugoslav military casualties, which are considered a state secret in wartime.

The official also said that the moderate ethnic Albanian leader, Ibrahim Rugova, was continuing talks with top Yugoslav officials on an interim political solution, having met again on Friday in Pristina with two deputy prime ministers, Nikola Sainovic and Ratko Markovic.

The official, Nebojsa Vujovic, was the top-ranking Yugoslav diplomat in Washington and has just been appointed spokesman for the Yugoslav Foreign Ministry.

Despite "NATO propaganda and lies" that Mr. Rugova is being held against his will and forced into discussions, Mr. Vujovic said Saturday, "Dr. Rugova is not a hostage — he's a free man who feels the heartbeat of his people."

"His talks with us pull the rug out from under the aggressors," Mr. Vujovic said.

NATO leaders say the bombing will go on until the Serbs agree to provide Kosovo with a full measure of autonomy under the protection of an international security force.

The talks concern "an interim government with joint institutions of self-government representing all ethnic groups and covering all branches of the local Serbian government," including the police, Mr. Vujovic said.

The concept of an interim government with

representation by Serbs and Albanians has been agreed upon, based on a framework for autonomy, he said. But it is not specifically based on "the Rambouillet process," he added, referring to a Western draft plan for far-reaching Kosovo autonomy. The plan was accepted by the ethnic Albanian delegation, including Mr. Rugova, but rejected by the Serbian delegation.

"Rambouillet was just a grand masquerade, not a real process of negotiation," Mr. Vujovic said. "Dr. Rugova was there but was just pushed aside, even though he had been earlier received at the White House and the State Department at the highest level, and the French gave him a medal. But the U.S. found a new alliance with the Kosovo Liberation Army, and Rugova's aware of that, and aware of what that situation has brought the ordinary Albanians of Kosovo."

Mr. Vujovic said the idea was being floated that Mr. Rugova might travel to Moscow to show that he was acting freely. He also said that Italy

and the Organization for Security and Cooperation in Europe had both asked for him to visit.

"But he's most needed here to participate in the process right now," Mr. Vujovic said.

Foreign Ministry officials regularly deny NATO allegations that Serbian forces are committing atrocities in Kosovo. They say that the Kosovo Liberation Army has been fighting a war against the Serbs and that it is difficult to separate the rebels from the civilians who support them.

They have rejected accusations of mass killings as well as the existence of an organized policy of "ethnic cleansing," attributing the flight of Kosovo citizens to fear of NATO bombings.

Asked about a New York Times report quoting U.S. officials saying that up to 700,000 ethnic Albanians are displaced inside Kosovo and running out of food, Mr. Vujovic said the numbers are "grossly exaggerated."

Before the bombings began, he said, "I can guarantee you, there were not 700,000 displaced

people there." Mr. Vujovic went on to ask: "Who makes the humanitarian catastrophe NATO says it is bombing to prevent? The bombs themselves or Serbs chasing the people? Kosovo has had the greatest bombings, and who would sit in their houses when the bombs are flying?"

He complained that when the Yugoslav authorities ask the ethnic Albanians to remain in Kosovo, they are accused of endangering them.

"If they go, we are to blame. If they stay, we are also to blame. It's a no-win for us."

Mr. Vujovic noted with satisfaction that NATO had finally admitted that one of its bombs had hit a residential part of Pristina.

He said that 12 civilians had died from a bomb that landed in the center of the town of Cuprija on Thursday night, leaving 400 families homeless.

One hundred twenty-four other people were wounded when the Zastava automobile and munitions factory was bombed in Kragujevac, Milan Beko, the factory manager, said Saturday.

Serbs' Downing Of 'Stealth' Jet Laid to Spotters And Much Luck

By Eric Schmitt
New York Times Service

WASHINGTON — Ever since a U.S. Air Force F-117 crashed in Yugoslavia on March 27, Pentagon officials have puzzled over what could have brought down one of the world's stealthiest warplanes.

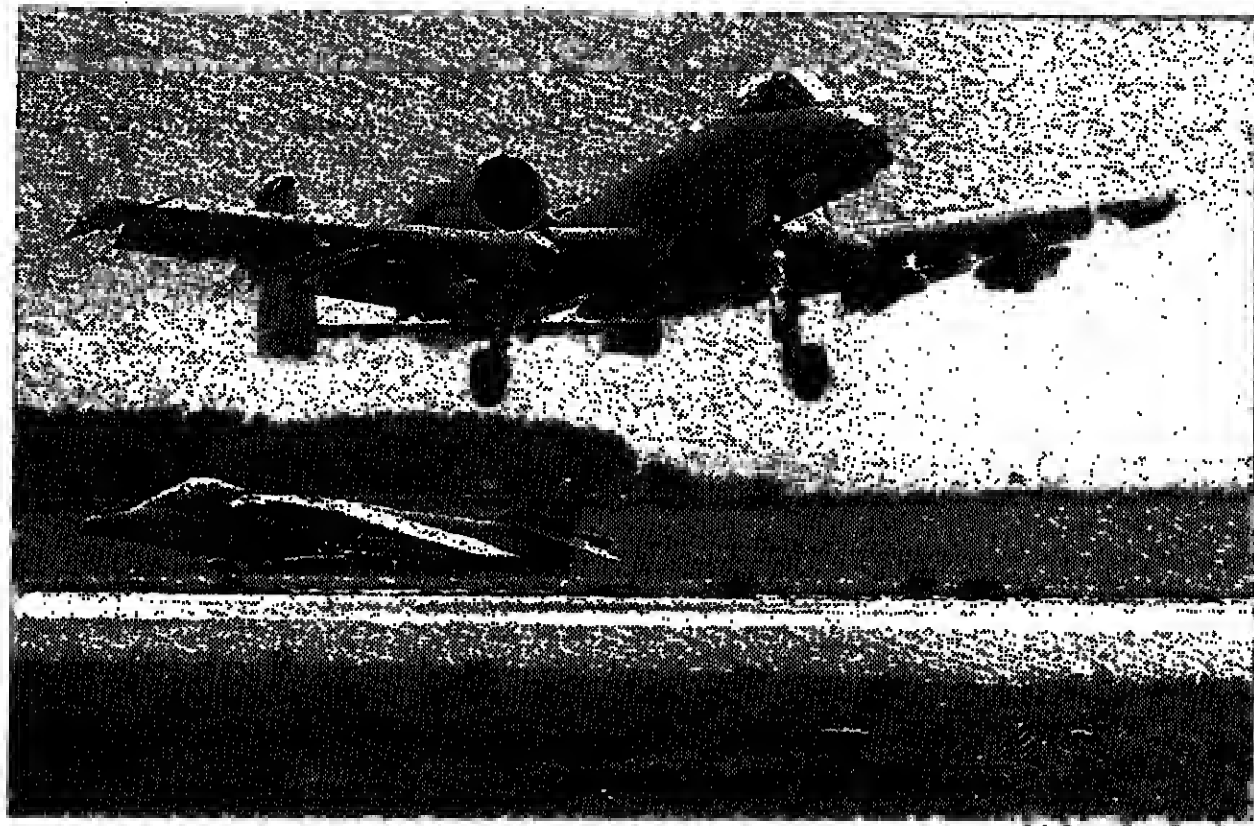
After extensive interviews with the pilot, a review of technical clues and an analysis of how Serbian air defenses have been operating, a secret air force inquiry is coming to the conclusion that a combination of tactics, quick learning and luck came together in one brilliant moment to shoot down the premier attack jet in America's arsenal.

The culprit, according to the inquiry, was an SA-3 surface-to-air missile that probably had not been used in the normal fashion, in which its operators would rely only on their own local radars to detect the target.

Air force and other military officials say that Serbian spotters in Serbia, and perhaps in Bosnia-Herzegovina and along the coast of Montenegro, may have patched together enough quick glimpses of the warplane from scattered radars to track the elusive aircraft, however briefly, before firing a missile from a battery near Belgrade.

The Serbs used their radar sparingly, officials say, to avoid a counterattack by the NATO fighter.

For the Serbs, it was a long-shot, low-tech solution to a challenge posed by one of the most sophisticated warplanes in the world, Pentagon officials said. In the end, it may have been tactics aided by a



A U.S. Air Force A-10 'Warthog' tank-hunting plane landing Sunday at Gioia del Colle air base in Italy.

lot of luck. "We think whoever did this won the lotto that night," a senior American official said.

NATO and Pentagon officials have such respect for Yugoslavia's air defenses that low-flying attack planes have flown only a handful of strike missions. But shooting down an F-117 showed unusual skill. In addition to its radar-absorbing skin and radar-scattering angles, the F-117 typically flies a zigzag pattern to avoid tracking.

The plane is barely visible to most radars. It is most vulnerable when turning suddenly at low altitudes, a move that can reflect radar beams to receivers, or when opening its bomb-bay door.

What U.S. military officials now sus-

pect is that Serbian spotters, perhaps starting with spies in Italy watching the F-117's take off, were able to work out a rough schedule of how long it took the plane to cross the Adriatic and bow long to fly to Belgrade.

Knowing this, Serbian radar operators would have a better idea of when and where to watch. Once a shadowy figure crossed their screens, they would alert the operator down the line. The F-117 dropped at least one of its laser-guided, 2,000-pound bombs near Belgrade, so that was another clue.

Analysts are unsure whether Serbian gunners were able to integrate a set of far-flung radars to feed the location of the plane to a missile launcher, or to cue

up the SA-3's own radar so the operator had only to briefly flip it on to track and fire.

Here is the account that experts now say is the most likely scenario:

The F-117s, operating out of the Aviano air base in Italy, typically were flying at medium altitude, from 15,000 feet to 25,000 feet (4,600 to 7,600 meters), out of reach of most of Yugoslavia's anti-aircraft fire and surface-to-air missiles.

At about 8:45 P.M. on March 27, the F-117 was heading back to base. Suddenly, an SA-3 missile streaked at three times the speed of sound and guided by an improvised network of Serbian radars exploded a few feet from the plane, slamming it into an uncontrolled dive.

Cockpit alarms usually warn an F-117 pilot when a surface-to-air missile radar is homing in. But the Yugoslav military so fears the anti-radiation missiles that NATO warplanes launch at these radars, it has largely turned them off.

It is unclear whether the pilot got any warning of the missile bearing in on him. If he did, it was probably too late. Stunned by the explosion, he struggled against pressure five times the force of gravity to yank the handles below his seat to eject from the crippled warplane.

"The one fragment of this whole event I can't remember is pulling the handles," the pilot said in an account the air force released last week. "God took my hands and pulled." Seven hours later, a commando team snatched the downed pilot from behind enemy lines and whisked him back to allied hands.

Q & A / Michael Zantovsky

Czechs Overcoming 'Hesitation' on Raids

Kosovo is a tumultuous early test for the new NATO allies, the Czech Republic, Hungary and Poland, which joined only 12 days before fighting erupted. The chairman of the Czech Senate's Committee on Foreign Affairs, Defense and Security, Michael Zantovsky, a former Czech ambassador in Washington, spoke with Joseph Fichet of the International Herald Tribune about the conflict's regional significance.

Q. How has Prague reacted?

A. Polls show steady increases in support for NATO's action, but government and public opinion weren't quite ready initially, so hesitation, even opposition, created a split from the first.

It's our first foreign policy debate as a democracy. Pro-NATO internationalists have become firmer, and the isolationists' "know-nothing" approach has become clearer. They say that we don't have a dog in this fight and if we did it should be Serbs who have a claim on our sympathy because of historic ties, including the Czech educators who were important to Serbia. Pacifists say don't bomb, only negotiate. Others say we are too small and poor to contribute effectively.

Q. And the result?

A. We're getting ready to send a military hospital to Macedonia and a transport plane, both under NATO command. If the alliance contemplates ground troops, we will have a heated debate, and the outcome is uncertain. We have very strong constitutional constraints requiring parliamentary approval, to send forces abroad. But I think it would be untenable for a Czech government to stay out. We joined NATO not just for protection but to share risks.

The Poles have been supportive of the alliance's action; they've already pledged troops for peacekeeping, and I would expect them to join a ground action. Hungary is a special case; it is the only ally with no NATO member on any of its borders and the only ally bordering on Serbia. With a Hungarian minority in Serbia, Budapest is understandably nervous.

Q. What are your main fears in the crisis?

A. We've been watching deliberate political manipulation by former Communist leaders who incite hatred and ethnic cleansing as the only way they can stay in power, a technique in which [President Slobodan] Milosevic has succeeded only too well. The same process was

under way in Slovakia under its previous government. We see a similar process in Belarus. We can't let this spread because it could totally reverse the process of democratization throughout the region. The risk is of failed states ruled by criminals who use political power for crime on an international scale.

Albania, by all accounts of the collapse there two years ago, showed it was no longer a functioning state in the full sense of the word. Macedonia, strained by refugees now, shows signs of reaching dangerous limits. Romania and some other states have not failed, but the current pressures could bring them down. In other words, this touches not just our humanitarian concerns but our vital interests.

Q. What about Albania and the Kosovo Liberation Army of ethnic Albanians? What are their political dynamics?

A. We know very little about them as entities or individuals because Albania was cut off until recently and is still turned inward. Compared to other societies in the region, they are very traditional, operating basically on clan principles in which family ties are stronger than political values. Their social structure is not readily compatible with modern states, and we should be careful not to assume or pretend that it is.

With the KLA guerrillas, there are some risks comparable to what happened in Afghanistan, not necessarily in the sense of Islamic fundamentalism but as situations where success could involve a rebel army of very young people with little education and no institutional loyalties — and the risk of a power-worship mentality. In the Balkans, the situation could resemble the problems in Sicily or Corsica — only worse because we're closer geographically to the failed states in central Asia left by the Soviet Union's collapse.

Q. Speaking of Russia, which is opposed to NATO enlargement and to NATO intervention in Serbia, do you think that the Kosovo crisis should make the alliance open up membership now to new allies?

A. Only in the event of an intervention in the conflict by a third country such as the one you mentioned. If ever that should happen, our reaction should be to bring in Romania and Bulgaria immediately, if they still wanted to join, without wasting a day. Otherwise the natural priority is the open wound in ex-Yugoslavia. Kosovo will have to be rebuilt from scratch.

Thaw With Russia Worries Some Israelis

The Associated Press

JERUSALEM — Leaders of the Israeli opposition warned Sunday that the government's recently warmer diplomacy toward Russia threatened to undermine crucial relations with the United States at a time when Washington and Moscow were at odds over Serbia and Kosovo.

Foreign Minister Ariel Sharon left for Moscow in what he said was an attempt to halt Russian sales of nuclear technology to Iran.

Newspapers have quoted intelligence officials as saying the Russians

were using their recent reconciliation with Israel as leverage in their talks with U.S. officials over the nuclear sales, which Washington is striving to stop.

Yitzhak Mordechai, a former defense minister who heads a centrist party challenging Prime Minister Benjamin Netanyahu in the May 17 elections, charged that Mr. Sharon was undermining U.S. efforts to stop the sales of nuclear technology. "It is the biggest threat to the existence of Israel," Mr. Mordechai said of the developing Russian-Iranian relationship.

The State Department has avoided

comment on Israel's thaw in relations with Russia, and Mr. Sharon says that his visits have U.S. support.

Mr. Sharon's three-day trip to Moscow is his second within a month and comes as Israel continues to avoid making a statement supporting the NATO air strikes against Serbia.

Shimon Peres, a leader of the opposition Labor Party and a former prime minister, said the wavering over the issue of Kosovo — and the apparent playing off of Washington against Moscow — risked ruining "good relations with the United States."

Conflict Deepens Arabs' Ambivalence Toward West

By Douglas Jehl
New York Times Service

DAMASCUS — More than two weeks into NATO's bombardment of Yugoslavia, with the air attacks aimed at punishing Christian Serbs for their persecution of Muslim Kosovars, the Islamic world was presented with a U.S. military campaign that it could identify with.

After all, the United States and its allies were clearly siding with Muslims this time, not reflexively bashing Iraq or unthinkingly supporting Israel.

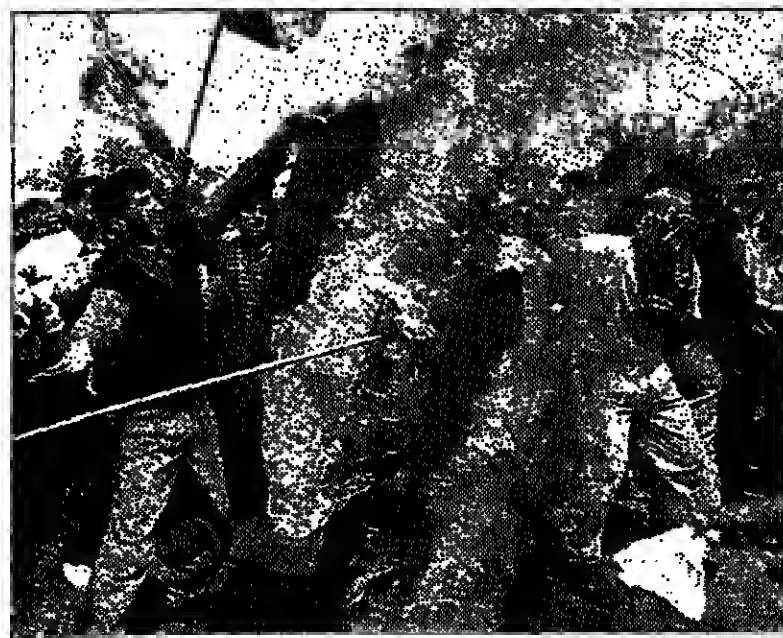
But the reaction has been anything but simple. Sympathies for the ethnic Albanians of Kosovo, most of whom are Muslims, are strong in the Middle East, but they are mingled with another powerful sentiment — an abiding mistrust of the West, whose resort to force against the Serbs is seen as something much less than heroic.

Only Jordan and Egypt have even gone so far as to withdraw their ambassadors from Belgrade, the Yugoslav capital. Not a single Arab government has openly endorsed the NATO air strikes, and Iraq, Libya and Iran have condemned them.

In the Islamic world, of course, the Kosovars who have been driven from their homes are much more than generic civilians. They are fellow Muslims, and many in the Middle East say they are being made to suffer because of their religion. In genuine solidarity, Arab and Muslim countries have dispatched tents, food and other supplies to the Balkans to assist the victims.

But against the backdrop of recent history, the U.S.-led air assault is viewed by most Arabs and Muslims with an uneasy ambivalence. One source of the discomfort is a suspicion that the offensive may have accelerated the Kosovar Albanians' expulsion from their homeland by the Serbs.

A larger reason is rooted in the way



Palestinians burning Yugoslav flags in Gaza City on Sunday to show support for NATO's battle with the Serbs. But the demonstrators also criticized the West's motives in the bombing campaign.

most Arabs and Muslims interpret recent history. Until the Kosovo crisis began, after all, the focus of U.S. military might had been squarely on the Islamic world, with cruise-missile strikes in Afghanistan, Sudan and Iraq in the last eight months alone.

Arab and Muslim leaders have protested each of those assaults, saying they should at least have been preceded by UN authorization. And yet, once again in Kosovo, the United States and its allies have bypassed the United Nations, intensifying what in Arab eyes was already a worrying trend.

It may be Serbs, not Muslims, who are the targets this time; but the offensive appears to many Arabs and

other Muslims as more of the same: a new case of Western heavy-handedness. The next time the United States and its allies decide to unleash military might, they warn, a Muslim country will probably be the target again.

"Is any Muslim feeling safer?" Iran's top religious leader, Ayatollah Ali Khamenei, asked bitterly in a speech in Tehran last week, referring to the attacks on the Serbs. He said of the West, "In the name of democracy, they feel entitled to use the strongest measures against those who disagree with them."

Still, the reaction has not been uniform, and some Arab intellectuals who have been outspoken critics of

the West in the past are beginning to speak out against fellow Arabs for their standoffishness.

The Islamist author Fahmy Howeidy, writing in the Egyptian newspaper Al-Ahram, likened the horror unfolding in the Balkans to the "slaughter and mayhem unleashed by the Tartars seven centuries ago in the sacking of Baghdad," which he called an "infamous turning point" in Islamic history.

"I have no doubt that what the Serbs are doing in Kosovo is even worse," Mr. Howeidy wrote, adding, "Anyone who purports neutrality is a traitor to the wretched Muslims of Kosovo."

But most other Arab commentators, and Arab leaders themselves, have shied away from casting the conflict as a religious war, an idea that many see as a dangerous proposition. And while the United States and its allies have vowed that the refugees will be returned to their homeland, the exodus of the Kosovars has served to remind many Arabs of what they recall as a past Western betrayal.

In the Middle East, the flight of the Kosovars to Macedonia and Albania looks much like the flight of Palestinians to Jordan, Syria and Lebanon after the creation of Israel in 1948. That, too, was described at the time as a temporary uprooting, but it has proved effectively permanent.

"Is history repeating itself?" the Syria Times asked last week, questioning whether Washington and its allies will prove any more willing to fight for the return of the Kosovars than they were for the return of the Palestinians who are still in refugee camps around the Arab world. The skepticism reflects a gap between Arab public opinion and U.S. policy that has only widened in recent years, driven mostly by Arab bitterness toward what is seen as Washington's one-sided handling of Israel and Iraq.

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EDITORIALS/OPINION

Herald Tribune

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Ill-Suited Airpower

Reflecting on NATO's setbacks in Kosovo, former Senator Sam Nunn dryly observed on NBC's "Today" show that the alliance has so far proved to be less effective at waging war than it was at deterring one during the long confrontation with the Soviet Union.

With the U.S. Congress reconvening this week, a noisy debate over NATO's strategy and performance is sure to be joined. It ought to be informed by a realistic sense of the limitations of airpower and a healthy appreciation for the complexities of this conflict. Important lessons can already be gleaned from this war that may help the United States and its allies prevail in Yugoslavia as well as future conflicts.

Even with the ragged start in the Balkans, NATO air supremacy should be sufficient over time to grind down Serbian resistance and bring Slobodan Milosevic to a political settlement. The pace has been slowed in part by bad weather and a decent regard for the safety of NATO pilots.

But in an era when airpower is the preferred form of American armed intervention abroad, it is apparent that the Pentagon needs to develop more effective and varied ways to use its arsenal of warplanes, cruise missiles and precision bombs. It may also need to adjust the mix of weapons it buys and maintains, and be ready to deal with an exodus of refugees that often materializes when ethnic conflicts suddenly intensify.

The allure of airpower dates back to the second world war, though it has often proved less decisive than its champions hoped at winning conflicts or changing enemy minds. But since the heavy casualties and domestic political upheavals of the Vietnam War, American leaders have understandably limited their use of ground troops, relying instead on bombs and missile attacks. Even in the Gulf War, the allied land invasion of Kuwait and Iraq was preceded by more than a month of intense aerial bombardment.

In Kosovo, policymakers and military planners assigned air forces to achieve military and political objectives that were at least initially difficult to attain with the chosen weapons and tactics.

That was based in large part on an expectation that Mr. Milosevic would likely retreat quickly in the face of a NATO attack. In late 1995, NATO bombing in Bosnia, along with Croatian military gains on the ground,

brought him to Dayton to make peace.

A critical part of military planning is preparing for the unexpected, and it now appears that NATO did not assemble enough airpower to intensify the bombing of military targets if Mr. Milosevic failed to buckle. The alliance had threatened to use military power for months, giving itself plenty of time to assemble forces. A larger fleet of planes might have allowed NATO to damage Serbian air defenses more quickly and move on to other targets. Dozens of additional planes have been sent to the region in recent days.

Slowing the Serbian rampage through Kosovo has been especially difficult. The ferocity and velocity of the assault surprised the alliance, and airpower is not the most effective way to combat dispersed ground forces in mountainous, heavily forested terrain. The American planes designed to maneuver through or above well-defended air space — stealth aircraft and high-performance fighter-bombers — are ill-suited to deal with infantry and tanks that are best attacked at low altitude and low speed.

The weapons made for such warfare, including A-10 attack planes and Apache helicopters, are more vulnerable to anti-aircraft fire and missile defenses and were not designed to operate deep in enemy territory. The Pentagon must try to develop air weapons and reconnaissance systems that can operate in the kinds of conditions that exist in Kosovo, a battlefield of ethnic conflict that is sure to become increasingly common in the years ahead.

The United States is running short of cruise missiles that are launched from B-52 bombers. Given the extensive use of these weapons in recent conflicts, the Pentagon and Congress should have watched the inventory more closely and ordered replacements or conversions.

In future ethnic conflicts, the United States and its allies will have to be better prepared to handle hordes of displaced people.

Governmental resources, including military units, will need to be committed in advance to the effort. Having made the defensible decision to rely primarily on airpower in regional conflicts that do not immediately threaten American security, Washington will need to be as imaginative and agile as possible in fighting such wars and in preparing for their repercussions.

—THE NEW YORK TIMES.

Brazil's Achievement

Just a few months ago, Brazil was widely being given up for dead. The country seemed destined for a deep and traumatic Asian-type recession, and the political system looked plainly unable to check the fall. As the largest economy in South America and one of the 10 largest in the world, its expected fate was awaited with growing trepidation in the hemisphere and, not least, in the United States, a substantial trading partner. But the worst was averted, or at the very least stayed off, while Brazil mounted a brave counterattack.

In January, Brazil conducted a crisis devaluation of its currency, the real. It was a cruel blow to a lower class already absorbing severe punishment and also to a middle class scarcely more securely perched on the lower rungs of a society notorious for its income disparities. Yet the devaluation lowered inflation and did not produce the widely feared Brazilian meltdown.

Government policies produced enough progress in belt-tightening, in public spending cuts and in the pace of privatization to bring about a crucial \$41.5 billion debt renegotiation with the International Monetary Fund in March. For the results that have been registered so far, major credit must go to

President Fernando Henrique Cardoso. True, he was aided by an international economy that turned out not to be so unfriendly as many had anticipated; there have been no new contagions. On his own, though, he induced a legislature controlled by his political opposition to help control excessive government spending by enacting an important new tax on financial transactions at local as well as national levels.

Other reforms stand before him, including an overhaul of the tax system, adjustments among the responsibilities of the federal government and the powerful state governments, and further reductions of a badly swollen bureaucracy.

Brazilians still expect negative growth this year. For next year the hope is not so much to sustain recovery as to lay the basis for that possibility. In the circumstances, nonetheless, developments in Brazil can be regarded as an achievement. They do more than win President Cardoso the further respect of the international financial set. They confront the twice-elected former professor with the opportunity — also the requirement — to tackle even more demanding reform tasks.

—THE WASHINGTON POST.

Other Comment

A Voice From Belgrade

The simple truth is that the people in Belgrade and Serbia are suffering from the bombing. But are the Albanians in Kosovo benefiting? I do not think so. My guess is that many of the 300,000 ethnic Albanian refugees in Montenegro, Albania, Macedonia and Serbia proper have run away from the NATO bombing as much as from the Serbs.

After more than two weeks of bombing, the Serbian paramilitaries and the

Kosovo Liberation Army fighters still have their Kalashnikov rifles and their knives. These are the weapons of ethnic cleansing — not the government buildings, factories and bridges.

It is going to be a long campaign, NATO planners say. Have they considered that for us, the suffering Serbian and Albanian citizens, the time flows much more slowly, much more painfully, than it does for them in their high-tech bombing arcade?

—Aleksa Djilas, a historian, commenting in The New York Times.

A Hard-Line Force Threatens East Timor's Future

By Andrew McNaughtan

DILI, East Timor — After some encouraging progress toward a negotiated solution of the East Timor conflict, there are now ominous signs that the peace process is being deliberately derailed. Unless prompt and effective action is taken by the United Nations to establish a policing or peacekeeping presence, East Timor could become like Cyprus — a divided and disputed territory.

The UN delegation charged with overseeing the voting procedure on the future of the former Portuguese colony, which was invaded by Indonesia in 1975 and annexed the following year, is continuing to make its preparations. The ballot on East Timor's future is tentatively scheduled for July. Meanwhile, East Timorese militia groups — created, paid and armed by the Indonesian military — are intensifying their campaign of terror and destabilization.

Ostensibly established to help the military maintain security in East Timor, the militias have become a fiercely partisan "local" force that is determined to do everything possible to prevent a free

and fair vote on the future of the territory, and to ensure that it remains part of Indonesia. Despite calls from many quarters, including the United States and Australia, that the militias should be dismantled, this has not happened. On the contrary, they recently increased their activities, especially in the region between Dili, the capital of East Timor, and the border with West Timor. They now control the main access roads from West Timor into East Timor.

The alleged massacre of dozens of villagers in the town of Liquica last week, which is known to be a center of support for independence, is only the latest of a series of killings and intimidations by these militias. Without the direct support of the Indonesian Army and the police, they would not be a real threat to East Timor's stability because an overwhelming majority of its people appear to want independence.

Yet the current UN plan for the territory does not envisage any steps to

dismantle the militias or ask their Indonesian military mentors to leave before the vote in July. There is little doubt that the militias will attempt to coerce the population in the areas under their control, which cover about a quarter of East Timor, to vote for integration. This is a scenario for more bloodshed and an unrepresentative vote.

Assuming that the majority of East Timorese vote against Jakarta's autonomy package and thus for independence, the militia leaders, with the support of the Indonesian military, are likely to resist the transition to statehood and try to partition the territory by creating an extensive buffer zone under Indonesian control along the border with West Timor. This option has already been mooted in Dili by Abilio Soares, the Indonesian-appointed governor of East Timor. The leader of one militia group has also indicated that he will not abide by the result of the July vote if, as seems certain, his side loses.

If de facto partition occurs, the partitioned area would still contain a large number of Timorese who want to be independent. Continuing conflict would thus be almost inevitable.

By offering the autonomy vote, President B.J. Habibie of Indonesia may well be making a sincere attempt to resolve the East Timor issue. The Indonesian armed forces commander and defense minister, General Wiranto, may also be ready to acquiesce to East Timor's transition to independence.

The force driving destabilization in East Timor appears to be a hard-line and influential faction within the military that does not want the territory to break away because it would be a blow to national unity and military prestige. This group is evidently well-connected and well-funded. Unless its leaders are exposed and confronted effectively, they may sabotage the promise of a better future for East Timor.

The writer, an Australian doctor who has worked in the medical aid field in East Timor, is the convener of the Australia East Timor Association. He contributed this comment to the International Herald Tribune.

NATO Must Prepare for the Long Haul in the Balkans

By Anthony Lewis

LONDON — NATO now has three irreducible war aims: the removal of all Serbian military, paramilitary and police forces from Kosovo; the return of all the ethnic Albanian refugees, and their care and protection by an international force.

In Britain, as in the United States, Serbian atrocities have brought public opinion solidly behind those objectives. But the leaders of NATO are not so clear in stating them.

President Bill Clinton and NATO spokesmen, for example, have said that Slobodan Milosevic must accept the plan he rejected at Rambouillet, France. But that proposal called for him to keep 5,000 Serbian troops in Kosovo and control its borders — an unthinkable outcome after the Serbian terror campaign. Could ethnic Albanian families be expected to live in confidence if at the end of the block there was a Serbian unit that had killed their husbands and fathers?

Even less clear is whether we are committed to the means necessary to achieve those objectives. That is the crucial question and a painful one, given the shameful miscalculation by the Clinton administration when it gave

the go-ahead for the air campaign against Mr. Milosevic.

The president and his advisers evidently believed that after a whiff of gunsmoke, a few bombs, Mr. Milosevic would say yes to Rambouillet. They were totally unprepared for his murderous attack on Kosovo civilians. They had no plan to house and feed refugees.

NATO air attacks over the first 10 days were pinpricks. Worst of all, no tactical aircraft were used against the Serbian forces in Kosovo to slow the killing and ethnic cleansing.

It was two weeks after the start of the air campaign when the bombing got serious. Mr. Milosevic countered with his call for a cease-fire. His strategy now seems to be: I'll keep the remaining ethnic Albanians in their shattered land, under Serbian control, and let some refugees return if you stop the bombing.

That would be a thinly disguised Milosevic victory, indeed hardly disguised at all. It would abandon the Kosovo Albanians to their fate, and it would destroy NATO's credibility. So

Mr. Clinton and others were right to brush the first Milosevic gambit off.

But more peace proposals will surely follow, and it will not be right to dismiss them out of hand. If the refugees are our prime concern, as they should be, we must be willing to explore any serious diplomatic effort to end their misery quickly and get them home in safety. A willingness to talk will also serve to maintain NATO unity.

Some thoughtful people believe that Mr. Milosevic will give enough ground under the pressure of intensifying air attack to make possible an honorable end. I do not. His record of murder and lies over the last decade argues that, if it is necessary to talk, one can have no confidence in doing business with him.

So we must carry the air war much further, especially against his armed forces on the ground in Kosovo. They should be harried, trapped, deprived of heavy weapons, fuel and communications; driven out by force. After cutting off the refugee flow, Mr. Milosevic stationed tanks on Kosovo's borders.

Second, NATO must now begin to assemble ground troops, ready to enter Kosovo as a fighting force if necessary

or to be a protection force for returning refugees if and when the Serbian forces are gone. Ruling out ground forces at the start was a grievous political mistake, convincing Mr. Milosevic that we were not serious. A majority of Americans, and a larger majority of Britons, now favor the use of ground troops.

Third, NATO must move more energetically to assemble evidence of war crimes by Mr. Milosevic and his agents. The U.S. State Department took an important step last week when it announced that nine Serbian military commanders may face prosecution before the International War Crimes Tribunal. But the immunity of Mr. Milosevic should end.

We have to face a hard fact: The United States and its allies must be in this for the long haul. Reconstructing Kosovo after the Serbian savagery will not be easy. Then we must work with surrounding countries to confine the Serbian ultranationalism that Mr. Milosevic has aroused. It is a heavy obligation, but the alternatives are worse. James Hooper of the Balkan Action Council is right when he says, "The Balkans are the new Berlin; the test of Western will."

The New York Times.

For Milosevic and Saddam, Terror Is a Political Tool

By Jim Hoagland

WASHINGTON — The words can be the least important piece of interviewing a national leader. The music — the mists that emanate from the Great One, the body language, the evasions or unexpected silences — is more reliable. Essence lives on after The Chief's carefully groomed phrases drift off to the journalistic boogeyland.

Fidel Castro remains vivid for me as a human fog machine. Moammar Gadhafi is the painting of evil that Dorian Gray keeps hidden away. François Mitterrand was a feline, arched back and claws at the ready. Mikhail Gorbachev's angry flush when challenged on his imprisonment of a dissident outlives his buried presidential promises to fix communism

and stay in Eastern Europe.

So it is with the two brutal despots being bombed by the United States in separate air wars today: Slobodan Milosevic of Serbia and Saddam Hussein of Iraq. U.S. rockets, and a mutual addiction to violence as the political tool of choice, unite them.

Little else does, except for this: When I interviewed them 15 years apart in their national capitals, one common characteristic sprang from each conversation that helps explain why Slobodan and Saddam now wear bull's-eyes on their chests.

Each man treated any mention of his opponents as an insult to his very presence.

Each responded as if he were being accused of lacking the snarling snarl of a dog, or the "inhuman," Mr. Milosevic in January 1990 made us understand that the Kosovars were in his view exactly that. They were not worthy of being in a question put to him.

His crude dismissal of the ethnic Albanians jerked me back to the segregationist American South of my childhood. Mr. Milosevic's barbs resembled what I heard in Baghdad when I asked Mr. Saddam about the rebellious Kurdish tribes of the Iraq north in 1975.

Mr. Saddam sat like a coiled boa constrictor of enormous size

and violence behind the desk that separated us. He spoke as from a great distance, brazenly lying about what he had just said in Kurdistan. We argued and parted, and I was not surprised when he began a campaign of genocide and ethnic cleansing against the Kurds or when he brutally invaded Kuwait.

Mr. Milosevic, more ferret than snake, circled each question anew, no matter how banal. He was the victim in this interview, squinting warily through a haze of cigarette smoke, a stoppered bottle of nitroglycerin about to tip over.

These two men have unleashed savagery from which the international community cannot avert its eyes. The reasons are more complex than the music of racism each played for me. In those reasons may lie a clue about the chances of bombing Mr. Milosevic into the submission that Mr. Saddam defiantly resists.

The two are rulers whose countries, dreams and social systems were crashing down on their heads long before American bombs began to fall. They and their followers — the Serbs of former Yugoslavia, the Sunni Arabs who are a quarter of Iraq's population — are the "victims" of their countrymen and of history, which reaches out to oppress them anew.

There is one type of fear more devastating in its impact than any other: the systemic fear that arises when a state begins to collapse. "Blood and Belonging," wrote Michael Ignatieff in "Blood and Belonging," his penetrating book on nationalism. "Ethnic hatred is the result of the terror

that arises when legitimate authority disintegrates." Fear is cause and effect for both dictators. They inflict terror on others to calm the rising terror among their own — who must also submit to a reign of blood and steel for their own good. They fight to control the local police station more than the national Parliament.

"See? They hate you," Slobodan or Saddam says to his populace as the bombs fall. "Only I can protect you from a world gone mad — or at least, get revenge for you." In the ruins of pan-Slavism and pan-Arabism, and of communism and Arab socialism, only static tribal lines remain.

A quarter-century of Saddam-watching convinces me that he goes to the extreme, of his murderous logic. His people have failed him in wars against Kurds, Iraqis, Kuwaitis and Americans. The Sunni, unable to complete his great mission of rescuing them, deserve to perish, too.

To expect Mr. Saddam to negotiate seriously because sanctions or bombing hurt his people is to misunderstand a man who does not seek or value negotiating status. His is truly a kill-or-be-killed world.

Is Mr. Milosevic different? The nations of NATO will find out only by pursuing their ally campaign with a relentlessness and patience that show Mr. Milosevic he cannot export his people's terror to others. If he persists, he will leave NATO on option but to take Kosovo from him by an allied ground offensive.

The Washington Post.

Bring Libya's Henchmen to Justice

By Paul Hudson

ALBANY, New York — Although Libya has finally handed over two suspects charged with planting the bomb that brought down Pan Am Flight 103 over Scotland more than a decade ago, the United States should not assume that full justice is being done.

President Bill Clinton, like presidents Ronald Reagan and George Bush before him, has said that there can be no safe haven for terrorists, not even for government officials engaged in state-sponsored terrorism.

But some American officials are now arguing that we should be satisfied with prosecuting two low-level operatives in a conspiracy that probably involved other officials in Libya and perhaps even Iran.

Now that the United Nations has removed sanctions against Libya because the two suspects have been delivered to the Netherlands for trial, some American companies are lobbying for the removal of U.S. sanctions — the very sanctions that helped persuade Libya to turn over the suspects.

Moreover, Kofi Annan, the UN secretary-general, has reportedly pledged that the trial will not be used to "destabilize" Libya. Whether that means that higher-level officials in the government will not be prosecuted is open to interpretation.

So many concessions have been given to Libya to bring these suspects to justice, I can only wonder what kind of justice it will really be.

International law says that when agents of a government

murder citizens of another country, the agents' government is liable for their actions — even if they abused their authority. Countries are sometimes required to pay compensation to the families of the victims, and even reparations to the government of the victims' nation.

The two Libyan suspects in the Pan Am 103 case were chief of security for the Libyan national airline and an employee of the airline in Malta. They are also suspected of being representatives of the Libyan agency for state-sponsored terrorism known as the External Security Organization.

According to a white paper by the U.S. State Department, the Libyan government also financed, planned or committed dozens of other acts of terrorism against citizens of the United States and other Western nations in the 1980s.

Representatives of the Libyan government, including the brother-in-law of Libya's leader, Colonel Moammar Gadhafi, have been charged by French courts with blowing up a French UTA jet over Niger in 1989, killing all 171 on board.

The investigation of Pan Am 103, the sanctions by the United Nations and United States, and the implicit threat of American military retribution have no doubt prevented and deterred many other terrorist attacks over the past decade.

The United States must do more, however, to end the threat of state-sponsored terrorism. It must continue its criminal investigations of Pan

Am 103 and other cases of terrorism to obtain the evidence needed to indict any higher-level Libyan officials responsible. Should any new evidence against other suspects come out in the trial in the Netherlands, these leads should be pursued to their fullest.

America has the world's best intelligence agencies, along with witness protection programs and many new FBI field offices in foreign countries. All of these resources can be used to shed more light on the Pan Am 103 case as well as other major terrorist cases.

In addition, the families of Pan Am victims have 150 civil cases now pending in the U.S. court system against Libya, its airline and its agents. If these cases succeed in getting punitive damages, this would not only punish those responsible for the bombing, but also may help deter such acts in the future.

Colonel Gadhafi and his henchmen would like immunity from American criminal and civil courts, as well as from international tribunals. They must not get it.

The courts must go wherever the evidence leads. No person or government should be able to get away with mass murder merely by giving up the lowest-level players, paying minimal compensation and allowing the passage of time and economic pressure to absolve them of responsibility.

The writer, a lawyer, lost his daughter in the Pan Am 103 bombing. He contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Russian Famine

PARIS — The Chicago "Times-Herald" in an editorial on Russian famine says: "The millions that Russia spends every year for the support of a vast standing army, if applied to the promotion of agriculture and other industrial activities that constitute the basis of national wealth, would make every peasant in the Empire self-supporting, contented and prosperous."

1924: Easter on Radio

LONDON — The broadcasting to America of Easter services at Westminster Abbey next year is the prospect held out by engineers of the British Broadcasting Company as the outcome of experiments in which British and American experts are collaborating in an effort to perfect transatlantic radio communication. While Premier MacDonald

declared that the broadcasting of Parliamentary debates is considered impracticable, "broadcasting apparatus is being installed at Westminster Abbey and St. Paul's Cathedral for the dissemination throughout Britain of Easter services."

1949: Nazis Convicted

NUREMBERG — In a precedent-making decision, a United States tribunal today [April 11] found five of Adolf Hitler's second-string subordinates guilty of participation in aggressive warfare. The importance of today's decision lies in the fact that for the first time in the Nuremberg war-crimes trials, German officials below the policy-making Cabinet rank were convicted of participating in aggressive warfare. Out of a total of 206 defendants in thirteen war-crimes cases — this is the last — only fourteen men have been found guilty.

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HEALTH/SCIENCE

A New Treatment for Fibroids

By Susan Gilbert
New York Times Service

NEW YORK — For Kristie Wolek, the trouble started about a year ago, when her periods became so heavy that the blood loss made her severely anemic. She was exhausted all the time.

The problem was caused by four fibroids, benign tumors in her uterus that had been tiny and harmless for more than a decade but had recently begun growing rapidly. Two doctors recommended a hysterectomy, an operation to remove the uterus and the only sure cure for fibroids. Though Ms. Wolek, 43, did not want to have more children, she did not want a hysterectomy, either. But she thought she had no choice.

Shortly before she was to have the operation, however, she heard about a clinic that was offering a new, minimally invasive alternative. In August, Ms. Wolek had the operation, called fibroid embolization, which shrinks the fibroids by blocking their blood supply. Instead of enduring major surgery and several weeks of recuperation, she felt fine in two days and has had no problems since.

Hundreds of American women have had the operation after learning of it not from a doctor but from the news. Though the same can be said for many treatments, fibroid embolization has attracted exceptional attention.

Some experts are concerned that its heavy promotion by doctors and medical groups on news programs and the Internet makes women think that it is an established treatment when it is not. "I think it's an interesting procedure," said Bryan Cowan, director of reproductive endocrinology at the University of Mississippi Medical Center in Jackson, "but, unfortunately, there are people who have run out and grabbed the banner and are touting this, with no evidence that it represents the standard of care."

Other hysterectomy alternatives have been developed,

Shrinking Fibroids

Fibroids affect 20 percent to 40 percent of women over 35. Fibroid embolization, which reduces the size of tumors by blocking their blood supply, is an alternative to major surgery for some women.

- 1 A catheter is inserted into the femoral artery through a tiny incision in the thigh.
- 2 The catheter is moved into the uterine artery.
- 3 Tiny plastic or sponge particles are injected into the artery.
- 4 The particles flow to the fibroids. Within minutes the blood flow is almost completely cut off.



Source: Society of Cardiovascular and Interventional Radiology

but recent studies have shown that this one requires minimal recovery time and reduces symptoms of those fibroids that resist other treatments.

"Women want this, or rather, they don't want surgery," said Gaylene Pron, an epidemiologist at the University of Toronto and coordinator of a study on fibroid embolization. "This is a women-driven technology."

Any woman of reproductive age can get fibroids, but they are most common in women over 35. The Society of Cardiovascular and Interventional Radiology says 20 percent to 40 percent of these women have fibroids of significant size. Fibroids run in families, though the cause is unknown. In most cases, they cause no symptoms and require no treatment. But if they grow large enough or appear in sensitive areas of the uterus, they can cause such problems as dangerously heavy menstrual bleeding, severe pelvic pain and possibly infertility and miscarriage.

At first, doctors try to control fibroid-related symptoms with nonsteroidal anti-inflammatory drugs or birth control pills, but when medicine is not sufficient, women need surgery.

There are less invasive kinds of surgery to get rid of

small fibroids, like hysteroscopy, in which a fiber optic scope is inserted into the vagina to remove them. But for women with relatively large ones who hope to become pregnant, the only surgical option is myomectomy, abdominal surgery to remove the individual fibroids. But with myomectomy, about 10 percent of women need further surgery because the fibroids grow back, the American College of Obstetricians and Gynecologists reports. And doctors have found that myomectomy is least effective for women with multiple fibroids or those deeply embedded in the uterus.

Embolization seems to work on fibroids that myomectomy cannot eliminate, say doctors who have studied them. The procedure is usually done in a hospital with the patient under local anesthesia. The patient can go home the next day.

At the annual meeting of the Society of Cardiovascular and Interventional Radiology in Orlando, Florida, last month, James Spies, vice chairman of radiology at Georgetown University Medical Center in Washington, said 89 percent of his 61 patients had less menstrual bleeding and 96 had less pelvic pain. Tumor sizes shrank

by half, on average, he said. In the six years that patients have been followed, he said, none have had new fibroids grow. He said that 3 percent of women suffered complications, such as injury to the uterus and infertility. He also said that the treatment failed in fewer than 1 percent of the women, who then needed to have hysterectomies.

ONE of the biggest questions about the treatment is its effect on a woman's fertility. Though Dr. Spies and other doctors have had patients go on to have normal pregnancies, most of their patients are in their 40s and are not interested in pregnancy. About 1 percent to 2 percent of women go into premature menopause following the procedure, said Scott Goodwin, chief of cardiovascular radiology at University of California, Los Angeles Medical Center and the first doctor to do fibroid embolization in the United States.

Because of the risk of infertility, Dr. Goodwin and Dr. Spies do not recommend embolization to women who hope to become pregnant unless they are poor candidates for myomectomy and therefore would face infertility with any other fibroid surgery.

How Did Writing Begin?

Scholars Wrestle With Unsatisfying Answers

By John Noble Wilford
New York Times Service

PHILADELPHIA — The Sumerians had a story to explain their invention of writing more than 5,000 years ago. It seems a messenger of the king of Uruk arrived at the court of a distant ruler so exhausted from the journey that he was unable to deliver the oral message. So the king, being clever, came up with a solution. He patted some clay and set down the words of his next messages on a tablet.

A charming just-so, or so-it-was, story, its retelling at a recent symposium on the origins of writing, held here at the University of Pennsylvania, both amused and frustrated scholars. It reminded them that they could expect little help — only a myth — from the Sumerians themselves, presumably the first writing people, in understanding how and why the invention responsible for the great divide in human culture between prehistory and history had come about.

The archaeologists, historians and other scholars at the meeting smiled at the absurdity of a king's writing a letter that his recipient could not read. They also doubted that the earliest writing was a direct rendering of speech. Writing more than likely began as a separate and distinct symbolic system of communication, like painting, sculpture and oral storytelling, and only later merged with spoken language.

Yet in the story, the Sumerians, who lived in Mesopotamia, the lower valley of the Tigris and Euphrates rivers in what is now southern Iraq, seemed to understand writing's transforming function. As Holly Pittman, the Pennsylvania art historian who organized the symposium, observed, writing "arose out of the need to store information and transmit information outside of human memory and over time and over space."

In exchanging interpretations and new information, the scholars acknowledged that they still had no fully satisfying answers to the most important questions of exactly how and why writing was developed. Many of them favored a broad explanation of writing's origins in the visual arts, pictographs of things being transformed into increasingly abstract symbols for things, names and eventually words in speech. Their views clashed with a widely held theory among archaeologists that writing grew out of the pieces of clay in assorted sizes and shapes that Sumerian accountants had used as tokens to keep track of livestock and stores of grain.

The scholars also conceded that they had no definitive answer to the question of whether writing was invented only once and spread elsewhere or arose independently several times in several "places," like Egypt, the Indus Valley, China and among the Olmecs and Maya of Mexico and Central America. But they criticized recent findings suggesting that writing might have developed earlier in Egypt than in Mesopotamia.



Holly Pittman, the art historian who organized the symposium.

In December, Guenter Dreyer, director of the German Archaeological Institute in Egypt, announced new radiocarbon dates for tombs at Abydos, on the Nile about 400 kilometers (250 miles) south of Cairo. The dates indicated that some hieroglyphic inscriptions on pots, bone and ivory in the tombs were made at least as early as 3200 B.C. It was now an "open question," Mr. Dreyer said, whether writing appeared first in Egypt or Mesopotamia.

At the symposium, John Baines, an Oxford University Egyptologist who had just visited Mr. Dreyer, expressed skepticism in polite terms. "I'm suspicious of the dates," he said in an interview. "I think he's being very bold in his readings of these things."

The preponderance of archaeological evidence has shown that the urbanizing Sumerians were the first to develop writing, in 3200 or 3300 B.C. These are the dates for many clay tablets with a proto-cuneiform script found at the site of the ancient city of Uruk. The tablets bore pictorial symbols for the names of people, places and things for governing and commerce. The Sumerian script gradually evolved from the pictorial to the abstract, but it was probably at least five centuries before the writing came to represent recorded spoken language.

Egyptian hieroglyphs are so different from Sumerian cuneiform, Baines said, that they were probably invented independently not long after Sumerian writing. "If anything, the Egyptians may have gotten the idea of writing from the Sumerians, with whom they had contacts in Syria, but nothing more."

In any event, the writing idea became more widespread at the beginning of the

third millennium B.C. The Elamites of southern Iran developed a proto-writing system then, perhaps influenced by the proto-cuneiform of their Sumerian neighbors, and before the millennium, was out, writing appeared in the Indus River Valley of what is now Pakistan and western India, then in Syria and Crete and parts of Turkey. Writing in China dates to the Shang period toward the end of the second millennium B.C., and to the first millennium B.C. in Mesoamerica.

ARCHAEOLOGISTS have thought that the undeciphered Indus script, which seemed to appear first around 2500, may have been inspired from trade contacts with Mesopotamia. But new excavations in the ruins of the ancient city of Harappa suggest an earlier and presumably independent origin of Indus writing.

In a report from the field, distributed on the Internet, Jonathan Mark Kenoyer, of the University of Wisconsin and Richard Meadow of Harvard University showed pictures of marks incised on potshards that they interpreted as evidence for the use of writing signs by Indus people as early as 3300 B.C. If these are indeed proto-writing examples, the discovery indicates an independent origin of Indus writing contemporary with the Sumerian and Egyptian inventions.

At the symposium, though, Gregory Possehl, a Pennsylvania archaeologist who specializes in the Indus civilization and had examined the pictures, cautioned against jumping to such conclusions. One had to be careful, he said, not to confuse potter's marks, graffiti and fingernail marks with symbols of nascent writing.

IN BRIEF

Study of Women With Birth Defects

NEW YORK (NYT) — A new report from Norway has described the first large study to provide information about the lives of women with birth defects, and the health of their children. The women are less likely than others to have children, and those who do give birth run an increased risk of bearing a child with the same birth defect that they themselves have. But most children born to women with birth defects are healthy, and they face no increased risk of any type of defect except their mother's.

The study, published Thursday in The New England Journal of Medicine, was based on the birth certificates of 459,433 women born in Norway from 1967 to 1982, including 8,192 with birth defects. Allen Wilcox, an author of the report and chief of the epidemiology branch at the National Institute of Environmental Health Sciences, said it would be almost impossible to conduct such a study in the United States, where about 150,000 babies are born with birth defects each year.

"We don't have the capacity to link a woman's birth records to the birth of her children," Dr. Wilcox said. "The system in Norway offers a resource for epidemiologists that doesn't exist in most places."

Donald Maitland, medical director for the March of Dimes in the United States, said the study could help people to estimate the risks of passing specific birth defects along to their children. "And it assures them that they're not at greater risk for something other than what they have."

Another Benefit of Estrogen Treatment

CHICAGO (AP) — Post-menopausal women undergoing estrogen treatment may get the added bonus of an improved memory, researchers say.

A study at the Yale University School of Medicine of 46 post-menopausal women found that estrogen increased activity in regions of the brain associated with memory. Although the study did not find memories had actually improved, it indicated that estrogen may stimulate the brain to make the

Report Sees Vast Damage to Amazon

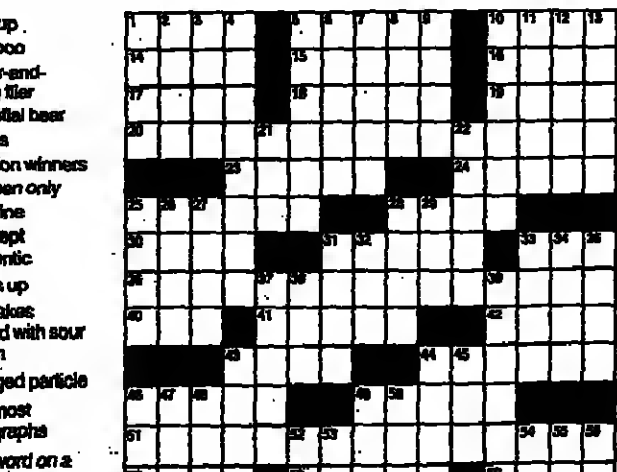
LONDON (Reuters) — More than twice as much land in Brazil's Amazonian forests is being destroyed each year than current estimates suggest, scientists said last week. Researchers at the Woods Hole Research Center in Massachusetts contend that up to 15,000 square kilometers (5,800 square miles) of the world's largest remaining tropical forests are damaged through logging alone each year.

"Overall, we find that present estimates of annual deforestation for Brazilian Amazonia capture less than half of the forest area that is impoverished each year, and even less during years of severe drought," Daniel Nepstad and his colleagues said in a report in the journal Nature. Logging and fires are also increasing the amount of carbon dioxide released into the atmosphere. Many scientists say carbon dioxide, one of the so-called greenhouse gases, is responsible for global warming.

Mr. Nepstad's team and scientists from the Instituto de Pesquisas Ambientais de Amazonia Campus de Guama in Belém interviewed 1,393 wood mill operators who are responsible for much of the timber production in the forests to estimate the damage caused by logging. The study is one of many in recent years that has called attention to the perilous state of the Amazon forests.

CROSSWORD

- ACROSS**
- 1 St. Bernard's bark
 - 5 Loud kiss
 - 10 Air pollution
 - 14 Victor who wrote "Les Misérables"
 - 15 California border lake
 - 16 TV drama length, usually
 - 17 Stocking shade
 - 18 Cell terminal
 - 19 Old-fashioned letter
 - 20 Saint-Exupéry led
 - 23 Implore
 - 24 Dine
 - 25 Moves furtively
 - 26 Guy's recoil
 - 27 Money in 31-Across
 - 28 Province in Tuscany
 - 29 Indignation
 - 30 Archivist of song
 - 31 Vegetable that's hard to eat with a knife
 - 32 Rich soils
 - 33 Close
 - 34 Engagement token
 - 35 Olympic prize
 - 36 Football
 - 37 Hub of Pacer Martin
 - 38 Unbroken
 - 39 Nursery rhyme fellow
 - 40 Extra output
 - 41 Grocery section
 - 42 Singer Turner
 - 43 In any way
 - 44 Lock of disdash
 - 45 The "R" of B.P.O.E.
 - 46 Tidal cure of
 - 47 Shorebirds
 - 48 Medicinal amount
 - 49 Sum up
 - 50 Boo-boo
 - 51 Paper-and-string file
 - 52 Castellan bear
 - 53 Ivories
 - 54 Election winners
 - 55 For men only
 - 56 Doctrine
 - 57 Concept
 - 58 Authentic
 - 59 Gook up
 - 60 Parousiae
 - 61 served with sour cream
 - 62 Charged particle
 - 63 Like most paragraphs
 - 64 First word on a "lost dog" sign
 - 65 Lawn tools
 - 66 Samuel's teacher
 - 67 Young hooter
 - 68 Sailor's time off
 - 69 Deadly aim
 - 70 Not so dumb
 - 71 Across Hunt
 - 72 Endure
 - 73 Unemployment office sign
 - 74 Metric weight
 - 75 Signs, as a contract
 - 76 Repose



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Solution to Puzzle of April 9

ABSTRACTLY LPS
DANIELLE FOFRE
ORAL VACCINE VET
SAGE NEEDLESS
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BRR DARED PLINY
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FOR INVESTMENT INFORMATION
Read THE MONEY REPORT
every Saturday in the IHT.

BOOKS

CROOKED CUCUMBER
The Life and Zen Teaching of Shunryu SuzukiBy David Chadwick. 432 pages.
\$26. Broadway.

Reviewed by David Guy

THE training of Japanese Zen monks is famously rigorous — hours of sitting meditation and physical labor, little food and less sleep — but nobody talks about what happens afterward. A few monks continue their hard practice and study, but most find a sinecure at a quiet temple where they don't have to do much other than the occasional memorial service.

Such had become the life of a 50-ish Zen monk — in the '50s of this century — named Shunryu Suzuki. He had tried for much of his life to continue teaching students and to study, but found himself in 1958 heading a small temple named Rinso-in. He held services early, then spent most of the day socializing and playing go with his friends in town. He was still tender from a personal tragedy: A depressed monk who had been traumatized during the war had murdered Suzuki's wife.

At that point he was offered a job that seemed even more dead-end than the one he already had, as priest of a temple in San Francisco's Japantown. The congregation was small, the temple shabby and the living quarters quite cramped.

But he had always loved the study of English and had dreamed as a youth of teaching in the United States. He decided to go.

When Suzuki arrived, American interest in Zen was on the rise, especially in San Francisco. Daisetz Teitaro Suzuki — no kin to Shunryu — had written his famous essays, Alan Watts had published "The Way of Zen," and Jack Kerouac was romanticizing his friends as Dharma Bums. People knew something of the theory of Zen but little of the practice, and they began to seek out the tiny Zen priest in Japantown. To everyone who came he said the same thing: "I sit at 5:40. You're welcome to join me."

Thus began what has become the most influential tradition of Zen in the United States. The cluster of American practitioners grew until they split from the Japanese congregation and moved to a building on Page Street that had space for 50 residents, with a number of other members living in surrounding apartments. They also created a rural practice center five hours away in Tassajara and sponsored satellite zendos in Berkeley, Mill Valley and Los Altos. (Forty years later they help sponsor satellites around the country, including one where I practice, in Chapel Hill, North Carolina.)

Suzuki's genius was to turn American ignorance of Zen into a virtue. He called it Beginner's Mind, saying, "In the beginner's mind there are many possi-

ilities, but in the expert's there are few." "Zen Mind, Beginner's Mind," written from a series of talks that he gave — sometimes to just a handful of people — in Los Altos, is still probably the best book on Zen practice in English, and has sold more than a million copies.

David Chadwick has done a good job of researching Suzuki's life in Japan, but wisely he devotes most of his book to the man's stay in San Francisco, which ended at his death in 1971. At times, Chadwick seems too obviously to be running through anecdotes his friends told him, some of which seem pointless or mawkish, but toward the end of the book he focuses more on Suzuki's teaching, and the man and message come together.

It is an elusive teaching, as Suzuki could be an enigmatic man, mostly gentle but breaking sometimes into wild fits of temper. "Not always so" was the way he expressed the most basic Buddhist teaching, that everything is a process of change. Zen is more a practice of the body than the mind, and is lived rather than believed. It was a form of spiritual practice that Americans were apparently longing for. It was this quiet modern Japanese monk who finally brought it to them.

David Guy, author of "The Red Thread of Zen: Spirituality and the Paradox of Sex," wrote this for The Washington Post.

BRIDGE

By Alan Truscott

AFTER A WEEK of competition a group led by George Jacobs emerged as winners of the Vanderbilt Knockout Team Championship at the American Contract Bridge League's Spring Nationals. Jacobs' partner was Ralph Katz, and their squad included two pairs that have won world team titles: Peter Weichsel and Alan Sontag, Bermuda Bowl winners in 1983, and the reigning world champions, Lorenzo Lauria and Alfredo Versace.

The diagrammed deal was the most dramatic of the semifinal stage and helped the eventual winners surge into the lead against a team led by Grant Baze. Jacobs held the South cards and pushed to an optimistic four-heart contract

after his partner had made a negative double of a two-diamond overall. East was delighted to be able to double and overtook the opening lead of the diamond king with the ace. He should now have shifted to a trump, with decisive effect, but he returned the diamond jack.

South ruffed and led a spade, on which West inadvertently played a low diamond. He corrected the error, took the spade ace and led the exposed diamond as required by law.

East allowed dummy's seven to win, throwing a spade as South did likewise. The spade king and spade queen were played, and East ruffed with the jack. South overruffed with the queen, cashed his club winners and reached the position shown at left, ceasing four of the last five tricks.

Jacobs ruffed a club with the heart king, forcing an undertruff, and he led a spade. East ruffed with the six, and was overruffed with the nine. South ruffed his last club with the heart eight, and East scored his 10. But South had the ace-five poised over the seven-three to take the last two tricks, and the doubled contract succeeded. East was

in shock. His six-card trump holding had taken only one trick.

In the replay North-South bid and made two hearts, so the Jacobs team gained 10 imps en route to victory.

NORTH		EAST (D)	
♠ K Q 8 4 3	♥ J 8 2	♠ J 10 7 6 3 2	♥ A J
♦ K 8	♣ 10 8 1	♦ K Q 8 5 4 3	♣ Q 10
♣ 9 8 5 4	♦ J 6	♠ 10 7	♥ A Q 9 5 4
♥ 7	♣ 9 8 5 4	♠ A K 7 3 2	♥ 9
♠ 8 4	♥ 10 7 6 3 2	♠ A K 7 3 2	♥ 9
♦ 7	♣ 9 8 5 4	♠ 10 7	♥ A Q 9 5 4
♣ 9 8 5 4	♦ J 6	♠ A K 7 3 2	♥ 9
♥ 7	♣ 9 8 5 4	♠ A K 7 3 2	♥ 9
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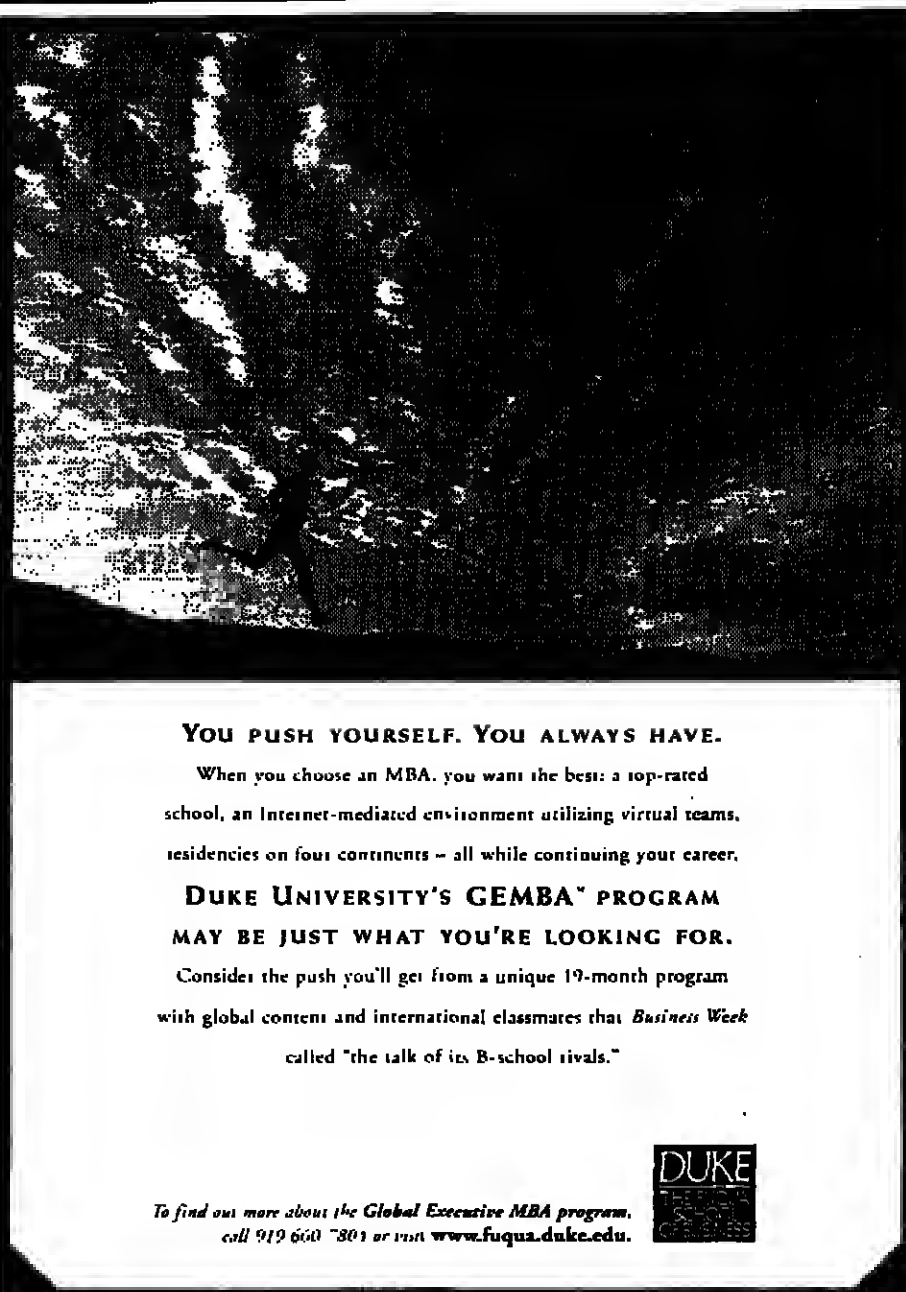
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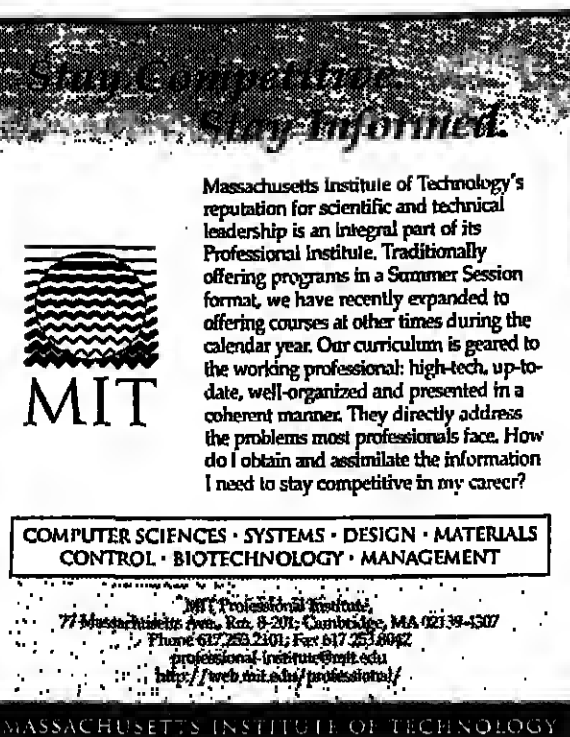
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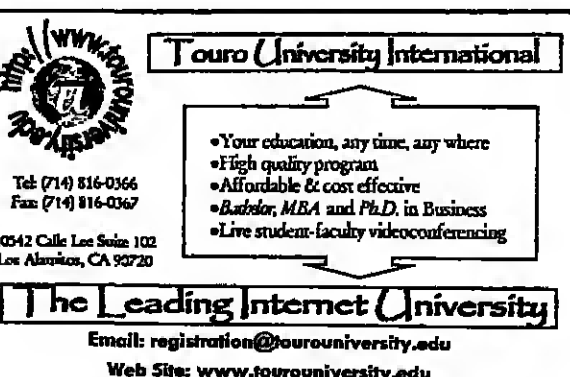
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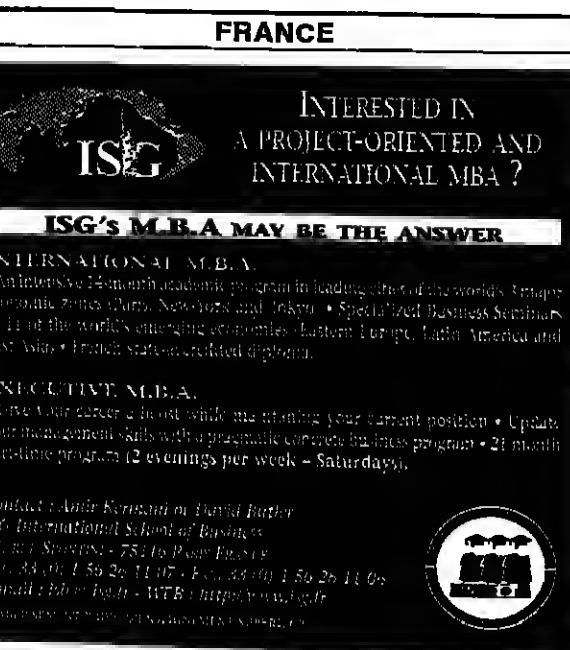
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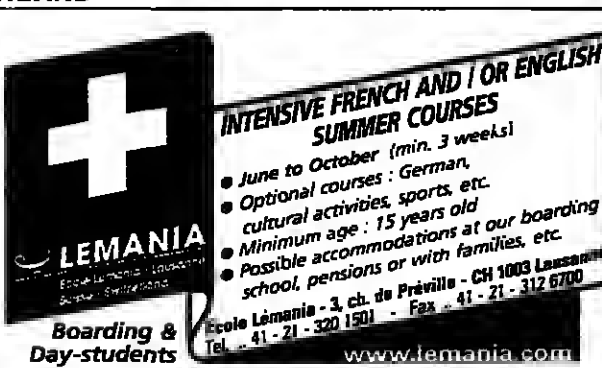


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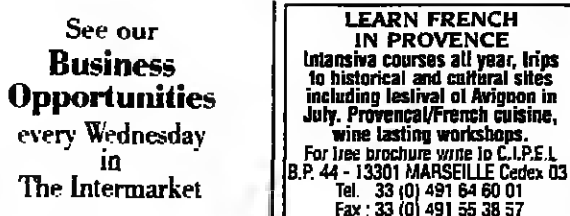
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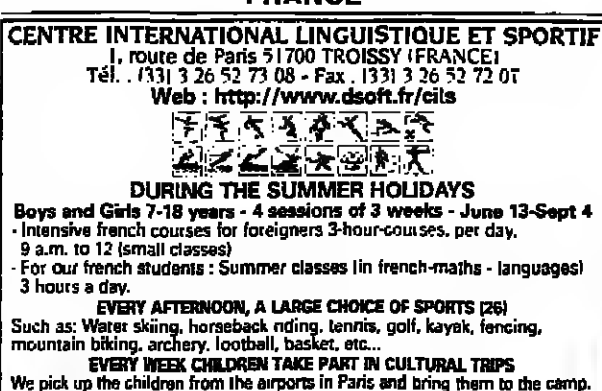
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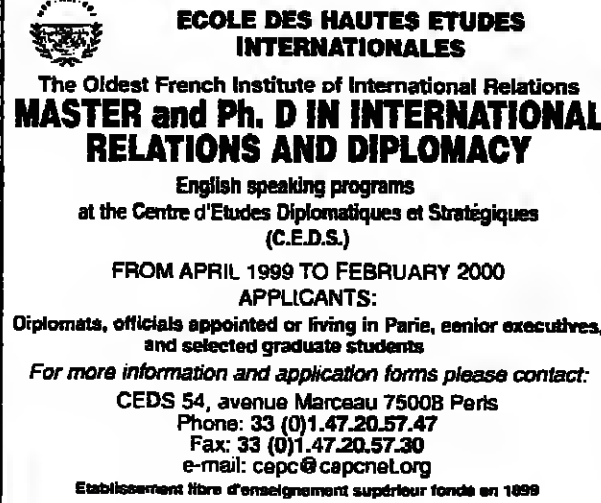


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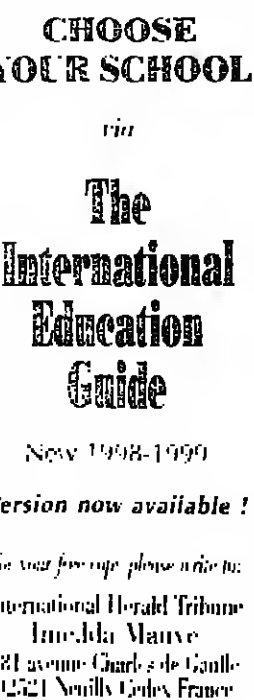
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Consolidated prices for all shares traded during week ended Friday, April 20

Continued on Page 19

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MONDAY, APRIL 12, 1999

PAGE 15

Judge's Ruling in California Thrift Case Could Cost U.S. Up to \$50 Billion

By Stephen Labaton
New York Times Service

WASHINGTON — A federal judge has ordered the U.S. government to pay nearly \$900 million to a California savings association that nearly went bankrupt after the government imposed tougher accounting changes on the industry a decade ago.

The decision, awarded to Glendale Federal Bank by Chief Judge Loren Smith of the U.S. Court of Appeals, is one of the largest judgments ever assessed against the federal government. But it is more significant for the legal precedent it may set for the more than 120 other

similar cases filed by existing and moribund savings associations and their shareholders, as well as other industries that have also filed large claims against the government in the past year after regulations were changed that cost them money.

If the reasoning of Judge Smith is upheld on appeal, experts say it could, in effect, reopen the huge fallout of the savings and loan industry, adding another \$30 billion to \$50 billion to the costs of the most expensive financial debacle in American history. It has already cost taxpayers \$165 billion, and administration officials estimate that every \$1 billion in judgments will cost

each American household \$10.

The winners who stand to profit the most from the precedent set by the decision late Friday are other prominent business people who hold big stakes in savings associations that have filed similar claims. They include Robert Bass, the Texas financier; the Pritzker family of Chicago; the New York investor Lewis Ranieri and Ronald Perleman of the Revlon Group.

Mr. Perleman is a controlling shareholder in Golden State Bancorp Inc., which owns both Glendale and California Federal.

While thousands of other smaller investors stand to gain from the decision, it

could also help the claims of some of the more notorious figures in the savings and loan debacle.

One of the most corrupt savings operators, David Paul, has filed a claim similar to Glendale's from a prison camp in South Carolina. Mr. Paul, the former chairman of Centrust Savings of Florida, is serving an 11-year sentence for racketeering and fraud. Centrust's gold-plated toilet pipes and \$29 million art collection were ultimately financed by taxpayers in a \$1.7 billion bailout.

Last autumn, Congress and the administration of President Bill Clinton quietly took steps that assured that the

ah from the savings and loan cases would be picked up by taxpayers. With no hearings or open debate, congressional lawmakers tucked into appropriations legislation a two-paragraph provision supported by the Clinton administration and urged by industry lobbyists.

The provision requires taxpayers to pay such sums as necessary to satisfy all final court judgments. The lobbyists had feared that either the Treasury would not pay or that the industry might end up being saddled with the costs through a special assessment.

Nearly three years ago, a highly splintered Supreme Court ruled that the 1989 savings and loan bailout law that

toughened the accounting rules breached the contracts that regulators had made with investors who had come to rescue many institutions. But the high court never addressed the issue of how to calculate the industry's damages, and the Glendale lawsuit presented the first test case of the issue.

Lawyers from the Justice Department have maintained in the lawsuits that have begun to be tried that the savings associations are entitled to little or nothing because the government's action was not the major cause of any injury and, in fact, the regulators had actually helped

See RULING, Page 17



The U.S. economy may be booming, but the economic giants of today — such as Alan Greenspan, the chairman of the Federal Reserve Board, left — have proved to be no Pied Pipers to college students, who were once inspired by the likes of John Maynard Keynes, below. Fewer and fewer Americans are entering graduate programs and seeking careers in economics.

The Dismal Science Wanes Fewer Americans Seeking Economics Degrees

By Louis Uchitelle
New York Times Service

NEW YORK — The Depression inspired thousands of young people to become economists. The War on Poverty and the Great Society in the 1960s were similarly inspiring, and the upheavals today should be, too. What more noble work, after all, than coming to understand, and perhaps alleviate, the wage stagnation, the global pressures, the layoffs, the job insecurities and the long working days that weigh on so many people?

But, in fact, fewer and fewer Americans are entering graduate programs and seeking careers in economics.

The Depression made a hero of John Maynard Keynes, the British economist whose prescriptions for reviving the economy — and softening capitalism — seemed so promising and insightful, even romantic. And out of the crowded graduate schools of that era came future giants like Paul Samuelson, Milton Friedman, James Tobin and John Kenneth Galbraith. They are all in their 80s and 90s now, and no longer the role models they were in their heyday.

Who are today's heroes? Alan Greenspan, the Federal Reserve chairman so

often given credit for the current prosperity, is one. So are Lawrence Summers, the combative deputy Treasury secretary and former Harvard whiz, and Paul Krugman, the Massachusetts Institute of Technology professor whose fame comes as much from his vivid, prolific writing in newspapers and magazines as it does from his economics. But somehow, they are not Pied Pipers.

Is it them or the times? Could Keynes do any better if he were resurrected today? Or Adam Smith, who was a popular lecturer and teacher with a wide following? Probably not. The profession is greatly changed.

The Ph.D. program in economics today, combining a master's degree and a doctorate, calls for five to seven years of hard, technical work, harder perhaps than medical school. For bright young people, higher wages with much less study can be had in management, consulting or law, or on Wall Street.

"I have a son who went to work right out of Harvard as a currency trader," said Angus Deaton, a Princeton economist and a mentor in his profession.

High wages, of course, would not di-

See ECONOMISTS, Page 17



Corbis-Bettmann/PTI

Shareholders Spurn Telecom Italia's Plan To Fend Off Olivetti

Compiled by Our Staff From Despatches

TURIN — Olivetti SpA's \$65 billion bid to take over Telecom Italia SpA moved a step closer to success over the weekend when Telecom's strategy for squashing it collapsed. But analysts said Olivetti still faced plenty of challenges in its attempt to buy the Italian telecommunications company.

At a meeting Saturday, Telecom failed to muster enough shareholder support for a defense plan that could have buried the bid.

"Before Saturday, Olivetti had a 30 percent to 40 percent chance of winning; now I think its chances are at the top end of that," said a fund manager with a major U.S. bank who declined to be named. "But Olivetti still has other big hurdles to jump."

Foremost among these, the rejection opens the way for foreign rivals to join the bidding. Olivetti also still needs to get its bid prospectus approved by stock market regulators by a deadline of the end of April and must win over skeptical shareholders.

Only 22.4 percent of Telecom Italia's shareholders attended the Saturday meeting in Turin, too few for a vote on Chief Executive Franco Bernabè's plan to give voting rights to savings shares. Mr. Bernabè would have needed the backing of 30 percent of all investors and the presence of one-third for a quorum. Olivetti had threatened to withdraw its bid if the proposal were accepted.

The Telecom defense plan would have added \$27 billion to the value of Olivetti's bid, making it prohibitively expensive.

The rejection of the plan may prompt Telecom Italia to seek a foreign partner as it tries to fight the offer, analysts said.

"Bernabè can no longer go it alone," said Luca Mori at Fondicri SpA in Rome. "The outcome means that Telecom Italia will either get bought by Olivetti or will lose part of its independence to a foreign 'white knight' phone company."

Telecom's board said it would "re-evaluate its decision" on convening a new shareholders meeting without setting a date. This means that a meeting planned for this month on another defensive step, buying out the Telecom Italia Mobile SpA cellular unit for 23 billion euros (\$24.8 billion) in cash, also will not take place.

The board said it would consider Olivetti's offer once a formal prospectus was presented while asking Mr. Bernabè to evaluate other "proposals that the market might present," Mr. Bernabè de-

clined to answer a question about his contacts with foreign phone companies.

Olivetti said the outcome of the meeting Saturday showed that the market was not interested in Mr. Bernabè's proposals.

"Shareholders who back Olivetti's bid have simply voted with their feet," said Fabio Cappa, a fund manager at ICCRI SpA, who also declined to be named.

Still, the lack of quorum was a surprise, because Telecom Italia said before the meeting that more than one-third of all investors had registered to participate in it.

"Today was a setback for Bernabè and a sign of weakness," said Guido Ravenna at Po Investimenti, a unit of Banca Intesa SpA in Milan, who attended the meeting.

But Mr. Bernabè said the attendance rate was normal for a company with such a fragmented shareholder base as Telecom Italia. "Nothing extraordinary happened; it's not a defeat," he said.

Mr. Bernabè and the company's chief legal adviser and former chairman, Guido Rossi, attacked Italy's new takeover law, which requires 30 percent of shareholders to support decisions by takeover targets.

"The law is incompatible with the nature of a public company," Mr. Bernabè said. "The law, passed last year, is being applied for the first time with the Olivetti bid."

Mr. Bernabè also said Telecom was pressing ahead with plans to sell the manufacturing business of its Sirti SpA cable unit and the majority of its unprofitable Stream SpA cable-television unit.

The Italian government, which owns 3.4 percent of Telecom Italia and is the biggest shareholder, did not attend the meeting Saturday, apparently so as not to compromise its neutrality. The Bank of Italy, which owns 2.3 percent and is the second-highest shareholder, also did not show up.

Italy's largest insurance company, Assicurazioni Generali SpA, was the largest stockholder present at the meeting, with 0.87 percent of the shares.

Olivetti, which has 0.37 percent of Telecom's shares, also tried to attend; Olivetti lawyers present at the meeting said they had intended to speak to present their reasons for launching an offer.

Many small shareholders, some of which had traveled from distant parts of Italy to attend the meeting, expressed their disappointment with the lack of a quorum. (Reuters, Bloomberg)

Japanese Regulators Nationalize Regional Bank

Compiled by Our Staff From Despatches

TOKYO — Japanese financial regulators placed a debt-ridden regional bank under government control Sunday after declaring the institution insolvent, officials said. The move could signal a stepped-up effort by Japanese regulators to get the nation's banking system back on its feet, which is seen as critical to economic recovery.

The Financial Reconstruction Commission moved to take over Tokyo-based Kokumin Bank after the bank conceded it could not restructure on its own. Hakujo Yanagisawa, the commission chief, said in a nationally televised press conference.

The government had already put two large banks under government control in its effort to root out the lingering prob-

lems from a bad-debt crisis, but the move against a smaller bank like Kokumin signals a new thoroughness to the effort, analysts said.

The Financial Supervisory Agency found last week that Kokumin had amassed a huge capital deficit, and warned it would be dissolved unless it came up with fresh funds from affiliated firms.

Analysts said the nationalization of the small regional bank, which had 524.74 billion yen (\$4.32 billion) in deposits and 745 employees as of the end of September, would not rock the nation's financial system.

Worries about the fate of the bank had led to a run on deposits, though under the government's move, depositors will be protected. The bank had prepared 100

million yen to meet the demand for withdrawals but nearly 80 billion yen in deposits had been taken out by Friday, it said.

As the government moved to take over, Kokumin sought to ease depositors' concerns.

"We deeply apologize for causing enormous trouble for our clients and shareholders," Yoko Okonogi, the Kokumin president, said at an emergency news conference at the bank's headquarters.

Many analysts said the collapse could be a prelude to more failures at Japanese regional banks.

Last year, regulators put two big banks — Nippon Credit Bank Ltd. and Long-Term Credit Bank of Japan Ltd. — under state control. Fears about more top

bank failures have been largely erased after an injection of more than 7 trillion yen into 15 large institutions last month.

But regulators are now shifting their attention to regional banks as well as insurers and brokers, and analysts expect shakeouts in all three sectors as financial liberalization proceeds under Japan's "Big Bang" reforms.

"Banking authorities will likely find more and more debt that regional banks had not disclosed, so probably more than 10 regional banks may turn out to have virtually negative equity," Yushiro Ikuo, a senior analyst at Commerz Securities (Japan) Co., said after reports of Kokumin's woes surfaced Thursday.

Under a law enacted last year to shore up Japan's tottering financial system, the government will protect all Kokumin deposits and the bank will continue operations under the management of three government-appointed administrators.

Meanwhile, the government will look for a private financial institution to take over Kokumin. A public "bridge bank" will be set up to take over Kokumin's operations if a buyer is not found.

Kokumin's bad loans will be absorbed by the state-run Resolution & Collection Corp., Japan's version of the U.S. Resolution Trust Corp., which cleaned up the savings and loan fiasco of the 1980s. The Bank of Japan also will provide special loans to guarantee Kokumin's operations.

Bank examiners have discovered that Kokumin, with 40 domestic branch offices, had amassed a capital deficit of 50 billion yen by September 1998.

Kokumin ran into financial trouble through massive sourced real estate loans it made during Japan's speculative "bubble" economy of the 1980s. (AP, Reuters, AFP)



\$980 for a Shot of Scotch? Single-Malt Cultists Tip Back

By Alan Cowell
New York Times Service

LONDON — A broken barrel stave found in the 1970s. Britain's wartime energy pinch. What could such historical flotsam have to do with modern American liquor chic?

Ask the drinkers who pay up to \$980 to taste one shot of fine single-malt Scotch whisky. Their palates and wallets, and their interest in the curious origins of some of their favorite tipples, have set off a scramble by Scottish distillers and their American marketers to uncover ever rarer, more exotic single malts. Unlike bleeded whiskeys, single malts are those produced in a single distillery in a single production run.

Single-malt drinking has become something between a mini-boom and a cult phenomenon in some American bars, and the most prized bottles can be as avidly pursued by as fine old Bordeaux: The Macallan '46, for instance, is sold (mainly to collectors) at \$2,500 a bottle, and the Bowmore 40 — referring to its age, not a year — brings \$7,000.

The cachet of top single malts like these rubs off on sibling whiskeys. "In marketing jargon, it's the halo effect," said David Cox, marketing controller for the Macallan brand at Highland Distillers. "It elevates the quality image of the whole range."

"People love the fact that it can over happen again," said James French, of Remy America, the unit of Remy Cointreau that markets The Macallan in the United States. "Once you've got a bottle of that, there's no more left."

The Macallan distillery turns out 220,000 12-bottle cases a year these days, but only 250 cases were ever made of the Macallan '46.

The Bowmore 40, produced by Morrison Bowmore Distillers, is even rarer. Just 294 bottles of Bowmore 40 were produced, said Anne Reeves, who handles the company's public relations in New York, and only 60 were shipped to America.

Collectors buy by the bottle, but drinkers buy by the shot, at astonishing prices. A shot of Bowmore 40 fetches

See SCOTCH, Page 17

CURRENCY RATES

April 9									
Cross Rates									
	\$	£	SF	Yen	CS	Dane	Greek	Swede	
London (to)	1.6057	—	2.3845	194.44	2.4145	11.0742	483.16	13.30	
New York (to)	—	1.4083	1.4835	120.87	1.501	6.8914	300.47	8.288	
Tokyo	121.35	195.07	81.70	—	80.99	17.54	N.G.	14.57	
Toronto	1.5003	2.412	1.0118	1.2404	—	0.2179	0.4992	0.181	
Zurich	1.4817	2.3829	—	1.2246	0.9846	21.5335	0.492	0.1792	
One euro	1.0778	0.6724	1.5948	130.75	1.4202	7.4223	323.70	8.944	
One SDR	1.3558	0.8454	2.0018	164.25	2.0322	9.3262	406.85	11.2361	
Interest rates excluding commissions.									
E: To buy one pound, £. To buy one dollar, \$ Per 100 N.G.: not quoted; N.A.: not available.									
SFR: Special drawing rights of the IMF.									
Sources: Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); Banque de France (Paris); LMF (SDR); Other rates from Reuters.									
Euro Values									
Euro values of the ERM member currencies, for one euro:									
Austrian schilling	13.7603								
Belgian franc	40.3399								
French franc	6.55957								
German mark	1.93627								
Italian lire	200.482								
Spanish peseta	166.386								
Portuguese escudo	200.482								
Irish punt	7.87564								
Greek drachma	1,936.27								
Portuguese escudo	200.482								
Spanish peseta	166.386								

April 9									
Other Dollar Values									
Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$	Currency	Per \$
Argentine peso	0.9995	Hong Kong dollar	7.7534	N. Zealand dollar	1.0772	Sw. krona	4.633		
Australian dollar	1.5974	Indian rupee	42.45	S. African rand	7.07	S. Korean won	42.75		
British pound	1.6057	Indo. rupiah	1,679.5	Philipp. peso	50.70	Taiwan dollar	22.33		
Canadian dollar	0.6724	Israeli sheqel	1.8337	Polish zloty	3.57	Thai baht	37.77		
Chinese yuan	0.2179	Japanese yen	100.00	Russian ruble	25.19	Turkish lira	37.471		
Czech koruna	35.22	Lab. pound	0.125	Saudi riyal	3.752	UAE dirham	3.671		
Egypt. pound	3.4099	Malay. ringgit	3.7099	Singapore dollar	1.2335	Venez. bolivar	584.45		
Hong Kong \$	7.7534	Mexican peso	9.492						
Source: Associated Press.									
European Cross Rates									
Euro-EMU rates are permanently fixed.									
	Aus	Belg	Den	FF	DM	Ir	Lux	Neth	Port
Dollar	12.7322	37.284	5.8915	4.0495	1.8097	0.7897	1.7914	2.0291	185.44
Pound	20.3629	60.164	8.8992	9.7738	2.9142	1.1782	2.8848	3.2855	294.72
Yen	1.47	3.2917	21.53	19.81	64.05	165.59	4.71	28.16	645.17
Aust. Schilling	13.7603	34.1199	2.2143	2.9977	2.8208	17.425	0.7102	4.2442	6.8926
Bel. Franc	2.3336	4.7947	0.7947	1.0702	1.0702	6.5596	0.1534	0.8333	1.3367
Can. Dollar	0.6724	1.2404	0.2179	0.4992	0.4992	3.57	0.1011	0.8755	1.1766
Ch. Koruna	35.22	1.8337	0.125	0.125	0.125	25.19	0.0047	0.2674	0.4771
Irish Punt	7.87564	14.7799	2.2143	2.9977	2.9977	17.425	0.7102	4.2442	6.8926
Italian Lira	200.482	4.0339	0.025	0.025	0.025	25.19	0.0047	0.2674	0.4771
Neth. Guilder	1.93627	1.93627	0.0047	0.0047	0.0047	25.19	0.0047	0.2674	0.4771
Port. Escudo	200.482	200.482	0.0047	0.0047	0.0047	25.19	0.0047	0.2674	0.4771
Spain. Peseta	166.386	166.386	0.0047	0.0047	0.0047	25.19	0.0047	0.2674	0.4771

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City Name Fd Name	Last	Why Chge	City Name Fd Name	Last	Why Chge
CHAS. E. CON.	12-1-00		CHAS. E. CON.	12-1-00	

This table shows the performance of Nasdaq-listed mutual funds through Friday and includes the top 4,000 funds in terms of assets. There are roughly 6,150 funds currently listed on Nasdaq.

Group names are shown in bold face, with individual fund names in each group indented below. Funds that are not part of a group are not indented.

NAV is the net asset value, i.e. the portfolio value divided by the number of shares outstanding, as reported by the fund through Monday. **NAV** excludes all sales or redemption charges. **Change** shows the variation from the previous Friday.

Name field footnotes: e - available only through contractual plans; n - no front-end load or contingent deferred sales loads; p - third assets are contingent deferred sales loads; r - redemption fee footnotes p need r apply.

Price field footnotes: b - net capital gains distribution

Globalization's Catch-22: Open-Trade Policies Fuel Tensions at Home

By Richard W. Stevenson
New York Times Service

WASHINGTON — There are two basic types of trade disputes: one involving attempts to open another country's markets, and the other centered on protecting industries at home that have been battered by global competition.

The Clinton administration's efforts to negotiate a deal that would bring China into the global trading system spans both. But neither the White House nor Congress nor even the Republican or Democratic parties themselves have resolved those conflicting pressures, on the question of China or in trade policy more generally.

Opening China to U.S. commerce, for instance, would be a boon in many ways to the United States, and it is therefore attractive to supporters of free trade and many business interests.

But doing it in a way that leaves even a relatively small number of American jobs exposed to China's unpunished but very real economic might could create a political backlash that would doom approval of the deal by a Congress already predisposed to view China with suspicion, if not hostility.

In that sense, the debate over how the United States should deal with China encapsulates the

broader question of how governments can manage the process of integrating their markets without unduly fueling political and social tensions at home.

Attempts to break down foreign trade barriers are generally driven by the idea that prying open new markets creates jobs and profits.

Efforts to shield domestic industries are usually inspired by raw political pressure from companies and workers suffering the effects of economic changes an ocean or continent away.

"We've gotten to a stage where the issue isn't just how to liberalize trade, but how to adjudicate disputes about what's enough, what is socially justifiable, how you reconcile systems that are based on different types of institutions and different cultures," said Jeffrey Garten, dean of the Yale School of Management and a former Clinton administration trade official.

Even without China, the United States is engaged in a wide spectrum of trade disputes. The issues being fought with the European Union alone touch on a broad range of products and services. Washington is pressing Europe to drop its ban on importing beef from hormone-treated cattle. It is battling to make it easier for a U.S. company to

export bananas to Europe. It is squabbling with Europe over standards for computer privacy.

At the same time, there is considerable pressure from Congress to do something about the plight of U.S. steelmakers, which have suffered from a flood of low-cost imports from Russia, Asia and other parts of the world. The House of Representatives voted 289 to 141 last month to limit steel imports, bringing together members of both parties from states where jobs have been endangered by what they consider unfair competition.

There are also smoldering bipartisan efforts in Congress to take steps to help textile makers, another politically powerful interest group that has faced wrenching upheaval as commerce has become more global.

The crosscurrents can be difficult for politicians to navigate.

"Trade votes ripple through labor, business, human rights and foreign policy," said Representative Tim Wroener, Democrat of Indiana. "They touch a lot of nerves and a lot of bases. It used to be, when I first got to Congress in the early 1990s, that abortion and gun control were the most intense votes. Now it's often trade votes."

Mr. Wroener voted to curb steel imports last month, which free-trade purists would call protectionist. But he said he supported bringing China

into the World Trade Organization as long as the United States can be assured the deal will be fair.

Mr. Wroener's was precisely the kind of swing vote that President Bill Clinton had in mind when he walked away from an all-but-completed trade deal with the Chinese prime minister, Zhu Rongji. Concluding that he could never get the deal through Congress without more explicit concessions — despite substantial concessions from China on other key issues — Mr. Clinton opted to gamble that further negotiations would yield progress rather than a backlash from the Chinese.

The president gauged this on the substance of the concessions by the Chinese, on which they seemed to give more on textiles, steel, automobiles and telecommunications, as well as on the political climate," Mr. Wroener said after meeting on Friday with Mr. Zhu. "He's trying to live up to what we're seeking, which is both free trade and fair trade."

The problem is that it is becoming increasingly difficult for nations to agree on what is fair.

The international body at the heart of the negotiation with China — the World Trade Organization — was set up to work out rules for global commerce and judge its members' compliance. As might be expected of any institution built on the presumption that nations benefit from

voluntarily ceding some of their sovereignty, the trade organization has had a rocky first few years.

Its role is likely to become even more contentious as more countries with developing economies like that of China — the largest country still outside the system — are allowed in and try to mesh their domestic realities with a still unsettled global norm.

"The coming battles are over differences in economic systems and political preferences," Mr. Garten said. "The extent of trade has become too massive and too complex for problems to be resolved between two countries. Someone is going to have to be in the middle, and all we have is the WTO."

The bad news, Mr. Garten said, is that the organization is inexperienced and unproven. The good news, he added, is that it seems to be set up to deal effectively with international disputes and that, from a parochial perspective, its rulings so far have tended to favor the United States.

More important, Mr. Garten said, China and the United States alike — as well as every other trading nation — need an outside arbiter as a bulwark against the kinds of domestic political pressures that could otherwise stall progress on trade issues or lead to the system's unraveling.

Bargain-Hunters See Value in European Chemicals

Bloomberg News

PARIS — Shares in European chemical companies have plunged so low on concern of falling earnings and prices that they may have turned into a bargain, some analysts say.

Make no mistake: 1999 will still be a difficult year for chemical companies around the globe. Yet some investors view that as the ripple of a wave that engulfed the industry in 1998, and say companies such as BASF AG, the biggest chemical company in Europe, Clariant AG, the world's top maker of specialty chemicals, and Rhodia SA, which ranks No. 4, could be poised for a rebound.

Demand is gradually picking up, and prices appear poised to reverse their declines. Clariant, Rhodia and others including Imperial Chemicals Industries PLC, Europe's No. 3 chemicals maker, have cut costs. Those companies that have not reorganized are ripe for takeovers, investors said.

"A number of chemical companies have been pummeled beyond reason," said Jacques-Antoine Bretelle at International Capital Gestion in Paris.

Investors had been selling chemical shares not just in Europe — pushing down the Dow Jones chemicals index 17 percent over the past eight months, mostly because those companies' profits were hurt by sagging Asian demand, falling prices

and a production glut last year.

But now, they point to a rise in oil prices to suggest commodity prices overall could perk up, and some see hints of improvement in Asia.

"I think the worst of the Asian crisis may be behind us and I take the recent increase we've seen in oil prices as a promising sign for other commodities," said Jacques Paschal, chief executive of Elf Atochem, the chemicals division of Elf Aquitaine SA.

Moreover, the European Central Bank's decision last week to cut its benchmark refinancing rate by 50

INVESTING

basis points to 2.5 percent will help spur growth in the second half and beyond, economists said. Even though economists warn that official forecasts of 2.2 percent growth for the 11-nation euro zone may be too rosy after the year got off to a slow start, they say a pickup in demand in the latter part of the year will ensure that that growth pace is reached — or even exceeded — in 2000.

The rate cut also means companies such as Bayer AG, Germany's No. 1 chemicals maker and one that is looking to invest \$4.4 billion in Asia over the coming decade, will be more competitive abroad and will be able to borrow for less.

"People are looking beyond 1999, and so they should," said Hans Zayed, an analyst at Paribas Capital Markets in London. "Chemicals are still a bit risky but I think the timing looks right to buy."

In addition to prices and growth, merger speculation, which has lifted stocks in the auto, drug and telecommunications industries, is coming to the rescue of some chemicals stocks.

BASF shares have risen 24 percent in the past month on speculation that it is weighing a purchase of rival Union Carbide Corp., which may need a partner to weather last year's price slump. And Rhodia has climbed 11 percent since March 16, when it offered \$737 million to buy Albright & Wilson PLC of Britain, the world's biggest maker of specialty phosphates.

Overall, industry analysts say prices and earnings will rebound within two years, though estimates range from the end of 1999 until late in 2000. The trick is to snatch those economy-sensitive stocks before they rally on summer profit forecasts.

"You've got to pick your companies carefully, and I won't pretend some people haven't been disappointed in the past when they bet on chemicals," said Yves de Vilmonin, a fund manager at Banque Privée St. Dominique. "But in the end that's how you make money, by being ahead of the pack."

SHORT COVER

VW's Sales Rose 9.6% in Quarter

WOLFSBURG, Germany (Bloomberg) — Volkswagen AG, Europe's biggest carmaker, has said first-quarter sales rose 9.6 percent, bolstered by demand for its Volkswagen brand cars.

VW said Saturday, quoting final figures, that sales from January through March rose to a record 1.18 million cars.

The company also announced it had appointed two managers to further strengthen its main brand.

The maker of Skoda, Seat, VW and Audi brand cars said it had named Hans-Ulrich Sachs, 46, former chief executive of SG Holding AG, as head of Volkswagen-brand sales. It also named Daniel Coppens, 43, formerly with DaimlerChrysler AG, as sales manager for VW's trucks and vans.

Japan's Top Planner Sees Upturn

TOKYO (Bloomberg) — The economy will probably recover in the second half of the year ending in March 2000 as companies reduce excess personnel and banks continue cleaning up bad loans, Japan's chief economic planner said Sunday.

"My prediction hasn't changed," Taichi Sakaiya, director-general of the Economic Planning Agency, said on government-affiliated NHK television.

Japan's economy has contracted for a record five consecutive quarters, bringing a wave of work-force reductions and other restructuring measures at companies such as Sony Corp., the world's second-largest consumer-electronics manufacturer.

Are Packer's Magazines for Sale?

SYDNEY (AFP) — Australia's richest man, the media executive Kerry Packer, is poised to sell his magazine division for 1.2 billion Australian dollars (\$751 million), according to Business Review Weekly magazine.

The media empire controlled by Mr. Packer and his son James is seeking to transform itself, according to the magazine, and has hired a corporate adviser to sound out the market for the division, Australian Consolidated Press.

Mr. Packer's magazine arm has been one of the mainstays planks of Publishing & Broadcasting Ltd.'s business and produces big-selling titles such as Woman's Day, Cleo, Good Medicine and Australian Women's Weekly.

Hong Kong Residents Optimistic

HONG KONG (Bloomberg) — More than two-thirds of Hong Kong's people are optimistic about the economy and a similar number are confident about their own finances, according to a survey commissioned by the South China Morning Post.

Some 65 percent expressed confidence in the economy over the next 12 months, while 32 percent said they lacked confidence, a marked change from polls taken between May of last year and January, which showed most people were pessimistic.

But that confidence has yet to show up in economic performance. The region's retail sales fell for the 15th consecutive month in January as a modest rebound in tourist arrivals failed to offset a slump in domestic spending.

Saudi Joblessness Is Put at 27%

RIYADH (Reuters) — Saudi Arabia's unemployment rate has more than doubled since 1993, with the jobless now accounting for about 27 percent of the working-age population, a senior Saudi academic said in remarks published Sunday.

Unemployment among the Saudi working-age population has risen to 27 percent in 1999 from about 12 percent in 1993, the London-based newspaper Asharq al-Awsat quoted Ghazi Obeid Madani, director of King Abdul Aziz University, as saying. He also said the Saudi working-age population had risen to 9.2 million from 7.3 million.

Saudi Arabia, the world's largest oil producer and exporter, is eager to replace many of its estimated 6 million foreign workers, who make up one-third of the country's population, with its nationals.

Compaq Lowers Profit Forecast

NEW YORK (NYT) — Compaq Computer Corp. has said that its profit will be less than half of what analysts had expected, dragged down by declining sales and a shift into lower-margin products.

Compaq said Friday that first-quarter profit would be about \$250 million rather than the expected \$540 million.

"The quarter's shortfall reflects lower-than-anticipated market demand and increased competitive pricing in the commercial PC sector," Earl Mason, chief financial officer, said.

RULING: U.S. Loses Case Against a California Thrift

Continued from Page 15

the industry by changing the rules.

In the Glendale case, for instance, the Justice Department maintained that, at most, the company was entitled to about \$28 million, the costs it incurred when it was forced to restructure following the 1989 law.

But the savings association asserted that it was entitled to recover whatever profits it may have realized if the government had not intervened, or at the very least, restitution of about \$2 billion.

Judge Smith said Friday that Glendale's calculation of its lost profits was "too remote and speculative to be granted."

But he also took a thinly veiled slap at the Justice Department, saying that he "understands the frustration of the plaintiff, who fought for six years on the question of liability against the government, only to have the government tell it, at the end of this laborious process, that Glendale had suffered no damages."

The judge said that he recognized the difficulty of calculating damages involving a savings association that entered into a 40-year contract 18 years ago that was then breached nearly 10 years ago.

ECONOMISTS: Grueling Education Thins the Ranks

Continued from Page 15

vert a young idealist seeking to help the world through economics. But graduate school training in economics, with its heavy emphasis on mathematics and mathematical modeling of abstract situations, does not relate easily to the issues of the day. The idealist is too often put off.

A commission of august economists recognized this shortcoming in a 1991 report. It recommended more attention to "real-world linkages" — a bit of advice that graduate schools have so far largely ignored.

"There is something about the nature of economics training that is driving off the student," Mark Blaug, an economics historian, said in a recent interview. "The

training is technically demanding but does not seem to be related to anything out there."

The shortage of trained economists is still unfolding. More than 1,000 Ph.D.s in economics are now granted annually in the United States, a 17 percent increase from 1986. But that is because, until recently, enough foreign students enrolled to more than offset the American decline.

No longer. The number of new doctorates will begin to slip next year or the year after, because new enrollment in graduate programs has been falling since 1994.

And this despite the fact that economists are well paid in their first posts relative to other Ph.D. holders. The median starting salary was close to \$75,000 for eco-

nomics Ph.D.s who took private-sector jobs last year in the United States and abroad, and roughly \$50,000 for those who took academic posts, mainly as assistant professors. Only engineers are in the same ballpark.

These findings are laid out in a soon-to-be published article in the Journal of Economic Perspectives. The authors, John Siegfried of Vanderbilt University and Wendy Stock of Kansas State University, surveyed new Ph.D.s from 91 universities.

But for economists who take private-sector jobs, money isn't everything. The typical graduate, 32 and married, spent 6.8 years in graduate school, only to land in a job that often underutilizes those hard-won skills. "They get paid a lot more than in academia, but they are grumpy," Mr. Siegfried said.

Americans, who now make up less than 45 percent of each year's graduating class, find the going tougher than foreign students do. The latter often have better preparation in the all-important math, and the prestige of an American doctorate opens all sorts of doors for them back home. The Americans find their training useful mainly in teaching and research, and academia has cut the number of these jobs that lead to tenure.

"People who 20 years ago might have chosen economics are now choosing law," said George Akerlof, an academic economist and a senior fellow at the Brookings Institution. "One reason they are doing this: Economics has become a lot harder."

CHINA: A Saga of Failure in Trade Talks

Continued from Page 1

declared that "if China is willing to play by the global rules of trade, it would be an inexplicable mistake for the United States to say no." Many of Mr. Clinton's closest aides took that as a sign that the debate was over, that the deal had been done. They proved to be wrong.

It is too early to tell what the long-term impact of the failure on Friday to reach a deal may be. Treasury Secretary Robert Rubin, who appeared in no particular hurry about striking an agreement of this scope, insisted Friday that in the coming months a deal was "certainly doable." The U.S. trade representative, Charlene Barshefsky, insists that "we still want a deal, Zhu wants a deal, and I'm sure it will happen."

But without question, momentum has been lost. A fear now is that, once Mr. Zhu gets back to Beijing, the deal could unravel. Trade negotiations are like a carefully staged opera, one that can come to a rousing conclusion only after the most careful staging.

In this case, the singers were playing to very different audiences, and the last act never came off.

[For his part, Mr. Zhu put a brave face on the failure to complete a deal, suggesting that the snag in the talks had simply delayed, not doomed, China's entry into the WTO. Reuters reported, "It's a pity that a full agreement has not been reached," he said over the weekend in Denver, where he continued his U.S. tour.

[In a bit of incremental success, the United States and China on Saturday signed a separate agreement on agricultural trade issues. The agreement modifies Chinese animal and plant health regulations that had restricted imports of those U.S. products.

[The deal was signed by Ms. Barshefsky and Shi Guangsheng, China's minister for foreign trade. "This agreement removes unfair trade barriers to U.S. wheat, meat, citrus and poultry and signifies a new era in our bilateral agricultural relationship, one that is based on sound science and the mutual benefits of open markets," Ms. Barshefsky said.]

In the talks last week on a broader WTO deal, Mr. Clinton, worried about the effects of a defeat on the rest of his legislative agenda, apparently decided at the last minute not to push Mr. Zhu for a flurry of concessions.

Mr. Zhu, meanwhile, was clearly worried that he already had given too much.

If he agreed to strict provisions that would give the United States unilateral rights to retaliate against import surges, and that would offer more protection to American textile workers by prolonging strict quotas on the volume of textiles China can send to the United States, he would be subject to enormous criticism from other Chinese officials.

"I've never seen the president back away like this," one veteran of trade negotiations said Friday. "We're all still scratching our heads."

By some measures, this could be a prime example of how one of America's most critical diplomatic initiatives fell victim to the distractions of a war in the Balkans.

Mr. Clinton has long argued that WTO membership for China is not about economics but about global integration: It would get China into a legal framework, forcing it to work under Western-style trade laws; it would create huge market openings that will, in time, expose more Chinese to foreign ideas.

And by spreading cell phones and Internet nodes in China, the argument goes, the West helps create more outlets for political expression — outlets the Chinese government finds it increasingly difficult to control.


So when Mr. Greenspan returned to Washington in January with his message, Ms. Barshefsky leaped at the opening. She sent her top China negotiator, Robert Cassidy, to Beijing for what turned into weeks of negotiations. In the first week of March, she traveled to Beijing herself and spent two and half hours with Mr. Zhu.

"For the first hour I talked nonstop," she said, "and it was clear that great progress was being made."

For the first time, the Chinese were talking about sweeping away many of the barriers that had long stymied American farmers — limits on agricultural imports, for example, and requirements that goods be distributed only through state-owned companies. There was talk about letting American firms invest in the telecommunications industry for the first time.

"It came in dribs and drabs," one person involved in the negotiations said. "We would push, and we were often surprised that the Chinese came back and said, 'We can do it.'"

Clearly the visit by Mr. Zhu to Washington was the deadline, and everyone knew it. But in the interim, a lot had changed in Washington.



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CAPITAL MARKETS ON MONDAY

Economists at Chase See 'Super-Benign' Soft Landing Sparking Bond Rally

By Mitchell Martin
International Herald Tribune

NEW YORK — Chase Securities Inc. has made an unequivocal prediction that U.S. bond prices would rally, citing weaker inflationary pressures than most investors expect.

John Lipsky and James Glassman, economists at the securities arm of the New York-based bank, predicted that the yield on the 30-year Treasury bond would fall to between 4 percent and 5 percent in the next 12 months from the close Friday of 5.46 percent. That was in itself an improvement from the range of 5.5 percent to 5.7 percent that the bond

market had seen last month, reflecting in part the decision last week by the European Central Bank to cut rates.

The Chase economists gave four reasons for their bullish view on bonds. The two most important, they said, were persistently weak economic growth outside the United States and falling profit margins at American companies. Also contributing to their view were declining prices at the wholesale level that have not yet reached consumers and the hard-to-document but increasingly apparent gains in productivity in the U.S. economy.

The weak world economy, they said, has led to a significant and growing excess of capacity to produce goods and

services. Mr. Lipsky and Mr. Glassman, defining 1990 as a base period in which world economic capacity and demand were in balance, calculated that the potential global output of goods and services now exceeded the world's needs by 5 percent.

In that kind of environment, companies turn to price reductions to sell their wares, and weak prices make most bonds attractive because their interest payments remain stable.

When long-term bonds are issued, the interest rate that investors demand in order to buy them takes into account expected inflation. Should inflation be lower than expected, the interest pay-

ments are worth more than the market calculated when the securities were sold, so the bonds' prices go up and push their yields down.

Falling interest rates also are good for stocks, but Mr. Glassman said prices already reflected savvy stock-market anticipation of that trend. Mr. Lipsky added, "Where's the big miss now? Inflation expectations." He said the Chase forecast, which put U.S. consumer price inflation at 1.3 percent this year and 1.2 percent in 2000, was neutral for stocks.

What makes the Chase prediction interesting is that the economists see the gap widening between potential output and demand.

"Margins of global excess capacity are so large that growth has to return to 3 percent just to stop excess capacity from growing," they said Friday.

Chase is predicting worldwide growth of 1.5 percent to 2 percent for 1999. That is in line with a recent World Bank forecast of 1.8 percent.

The American economy is an exception to the slow global growth, having expanded by 3.8 percent in 1997 and 4.3 percent last year. Mr. Lipsky and Mr. Glassman see it growing more slowly this year and next, 2.1 percent and 2.6 percent, respectively. The consensus view for this year, however, is about 2.75 percent, and some economists are predicting growth of 3.5 percent or more.

One key reason the Chase economists say they are less optimistic than many of their competitors is that corporate profits

have not been growing. They said that after being essentially flat in 1998, profits would grow a negligible 0.4 percent this year. Two years of stagnant profits in an environment where prices are not rising, they said, would lead companies to reduce capital investment, slow their hiring and resist wage increases, all of which they expect to rein in economic growth. Still, with the U.S. economy in its eighth year of expansion, growth of 2 percent would be no catastrophe.

Mr. Lipsky said, "I consider our

U.S. CREDIT MARKETS

views a kind of super-benign soft landing" that will lead central bankers to trim short-term interest rates by as much as one percentage point. The Fed's target for the overnight rate on loans between commercial banks is now 4.75 percent.

Mr. Glassman said Chase was departing from the orthodox view that lively economic growth eventually translated to inflation as output capacity was fully employed. One reason is that in the increasingly global economy, overcapacity and slow growth in other countries limit the ability of American companies to raise prices.

Other causes, the economists said, were an inability to accurately measure the benefits of such changes as improved environmental regulation and the productivity advances flowing from new technology. The latter are extraordinarily difficult to gauge because they have led

to the introduction of categories of products and services that cannot be compared with the past. But Mr. Lipsky said the issue was no longer whether there have been technology-induced productivity gains, but rather how much they have contributed to economic growth.

He also said that economists who looked at the unemployment rate for guidance on wage pressures were following the wrong indicator. Companies are now asking their employees to work fewer hours in slack times instead of laying them off and are using overtime to increase employment. Mr. Glassman said that the rise in the number of hours worked had slowed substantially in recent months.

As coherent as it is, the Chase view is a minority opinion. On Friday, for example, Citigroup's Salomon Smith Barney unit said that any further drop in yields might be only a limited one, as "strong domestic demand promises to keep labor markets tight, while easing by European and other central banks diminishes the external risks to the economy."

An economist at Credit Suisse First Boston, Rosanne Cahn, agreed that bond yields were likely to fall but said they would come down less than the Chase team predicted and with far stronger economic growth. She predicted that the 30-year Treasury issue would yield an average of 5.62 percent this year before dropping to 4.85 percent in 2000 and that the U.S. economy would expand 4.1 percent in 1999 and 2.8 percent next year.

Low U.S. Inflation Has the Fed Stumped, Too

By Richard W. Stevenson
New York Times Service

WASHINGTON — Meeting in February to review interest-rate policy, members of the Federal Reserve Board fretted, as usual, about a possible resurgence of inflation. But their discussion soon turned to whether the central bank's system of spotting incipient wage and price pressures might be malfunctioning.

This early-warning system — built around indicators of unemployment, growth and inflation — assumes that when joblessness falls below a certain "natural" level, prices will rise. As a forecasting and policy-making tool, the framework provided a reasonably accurate way of knowing when inflation would strike and enabling the Fed to head it off by adjusting monetary policy — at least until the past few years.

Unemployment has been falling for seven years. In March it reached 4.2

percent, its lowest level in nearly three decades and well below any mainstream estimate of a "natural" jobless rate.

At the same time, U.S. economic growth, while slowing somewhat, remains robust — but the predicted inflation is nowhere to be found.

The sketchy minutes of the central bank's February meeting suggest that even Fed officials are struggling to find answers. The minutes said that the combination over an "extended period" of strong economic growth, low unemployment and the absence of any substantial inflation simply "could not be explained in terms of normal historical relationships."

A number of Fed officials, according to the minutes, "suggested that the inflation process was not well understood and that inflation forecasts were subject to a wide range of uncertainty."

Many economists' reaction to this disclosure is that, if the Fed has less con-

fidence in its ability to predict inflation, it will be less likely to act preemptively against inflation and more likely to wait for evidence that wage and price increases are actually accelerating.

But the natural-rate theory on employment still has its advocates, including some Fed officials. Even skeptics acknowledge that there is a long-term trade-off between unemployment and inflation. The question is whether the trade-offs are consistent enough in a rapidly changing economy to be of any use in predicting inflation and setting interest rates at the appropriate level.

"These various road maps or rules that we use are valid at times," said L. Douglas Lee, chief economist at HSBC Securities. "But what you always have to remember is that the U.S. economy is a very dynamic creature, and things don't remain fixed. What works at one point in terms of understanding inflation may not work at another."

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending April 9. Prices supplied by Telekurs.

Rnk Name Cpn Maturity Price Ctr Yld

119 Future Remita 2 zero 03/30/01 90.5405 5.1400

141 Thame Fin zero 07/19/03 98.3959 12.8400

171 EIB zero 07/15/08 94.2600 5.7900

180 EIB zero 12/07/28 113.5306 5.2600

181 Amnington Fin zero 07/22/23 97.6013 0.0000

187 GECC zero 07/12/04 106.9322 5.0800

188 Ial Fin N 1 zero 03/31/08 125.2427 5.2900

236 Fin Resid Hous 5% 07/19/28 164.3986 4.7700

245 Fannie MaeW 6% 04/07/02 104.9504 6.5000

177 Fannie Mae 6% 08/15/07 104.9504 6.5000

British Pound

119 Future Remita 2 zero 03/30/01 90.5405 5.1400

141 Thame Fin zero 07/19/03 98.3959 12.8400

171 EIB zero 07/15/08 94.2600 5.7900

180 EIB zero 12/07/28 113.5306 5.2600

181 Amnington Fin zero 07/22/23 97.6013 0.0000

187 GECC zero 07/12/04 106.9322 5.0800

188 Ial Fin N 1 zero 03/31/08 125.2427 5.2900

236 Fin Resid Hous 5% 07/19/28 164.3986 4.7700

245 Fannie MaeW 6% 04/07/02 104.9504 6.5000

177 Fannie Mae 6% 08/15/07 104.9504 6.5000

Deutsche Mark

179 Credit Fonder 7% 02/24/03 112.6000 4.4400

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179 Credit Fonder 7% 02/24/03 112.6000 4.4400

Italian Lira

145 EIB 5% 04/15/04 108.1250 4.6600

Japanese Yen

122 Spain 5% 03/23/02 116.2620 4.9500

212 Mexico 3.5000 12/31/19 96.1751 4.2700

24 World Bank 4% 02/20/00 105.1271 4.2800

South African Rand

151 Medco B FRN 4% 03/07/07 65.0000 7.0100

152 C C D Jordans 4.967505/1800 99.9928 4.9700

153 Peru PBI 4% 03/07/07 65.0000 7.0100

154 Argentina FRN 2% 04/01/01 64.8000 8.0000

155 Brazil L FRN 6% 04/15/04 73.2504 8.3600

156 Mexico O FRN 6.0075 12/28/19 85.7500 7.1100

157 Bulgaria FRN 5% 07/28/11 68.0447 8.6300

158 Ford Motor 6% 04/28/03 101.1200 6.6600

159 Argentina FRN 2% 09/01/02 105.7747 0.0000

160 Den Dansk 2% 04/23/99 98.9663 4.9500

161 J.L.S. FRN 5.232509/3000 100.6874 5.2000

162 Russia 11 07/24/18 27.0000 40.7400

163 Venezuela FRN 6 03/18/07 59.6785 10.5000

164 Venezuela FRN 6 03/18/07 59.6785 10.5000

165 Brazil L FRN 6% 04/15/04 73.2504 8.3600

166 Belgium FRN 5% 07/28/11 68.0447 8.6300

167 Ford Motor 6% 04/28/03 101.1200 6.6600

168 Argentina FRN 2% 09/01/02 105.7747 0.0000

169 Den Dansk 2% 04/23/99 98.9663 4.9500

170 J.L.S. FRN 5.232509/3000 100.6874 5.2000

171 Russia 11 07/24/18 27.0000 40.7400

172 Venezuela FRN 6 03/18/07 59.6785 10.5000

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174 Brazil L FRN 6% 04/15/04 73.2504 8.3600

175 Belgium FRN 5% 07/28/11 68.0447 8.6300

176 Ford Motor 6% 04/28/03 101.1200 6.6600

177 Argentina FRN 2% 09/01/02 105.7747 0.0000

178 Den Dansk 2% 04/23/99 98.9663 4.9500

179 J.L.S. FRN 5.232509/3000 100.6874 5.2000

180 Russia 11 07/24/18 27.0000 40.7400

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185 Ford Motor 6% 04/28/03 101.1200 6.6600

186 Argentina FRN 2% 09/01/02 105.7747 0.0000

187 Den Dansk 2% 04/23/99 98.9663 4.9500

188 J.L.S. FRN 5.232509/3000 100.6874 5.2000

189 Russia 11 07/24/18 27.0000 40.7400

190 Venezuela FRN 6 03/18/07 59.6785 10.5000

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192 Brazil L FRN 6% 04/15/04 73.2504 8.3600

193 Belgium FRN 5% 07/28/11 68.0447 8.6300

194 Ford Motor 6% 04/28/03 101.1200 6.6600

195 Argentina FRN 2% 09/01/02 105.7747 0.0000

196 Den Dansk 2% 04/23/99 98.9663 4.9500

197 J.L.S. FRN 5.232509/3000 100.6874 5.2000

198 Russia 11 07/24/18 27.0000 40.7400

199 Venezuela FRN 6 03/18/07 59.6785 10.5000

200 Venezuela FRN 6 03/18/07 59.6785 10.5000

201 Brazil L FRN 6% 04/15/04 73.2504 8.3600

202 Belgium FRN 5% 07/28/11 68.0447 8.6300

203 Ford Motor 6% 04/28/03 101.1200 6.6600

204 Argentina FRN 2% 09/01/02 105.7747 0.0000

205 Den Dansk 2% 04/23/99 98.9663 4.9500

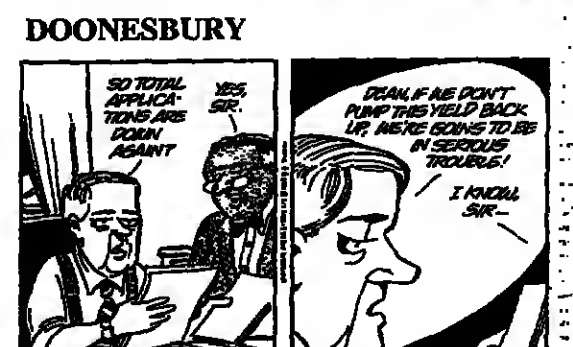
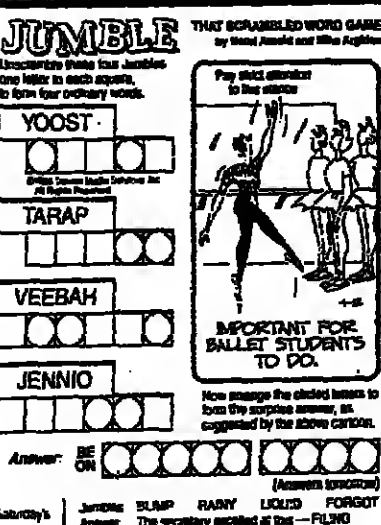
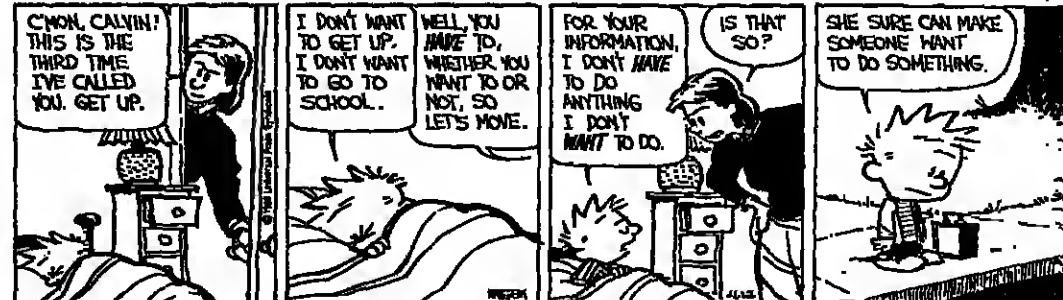
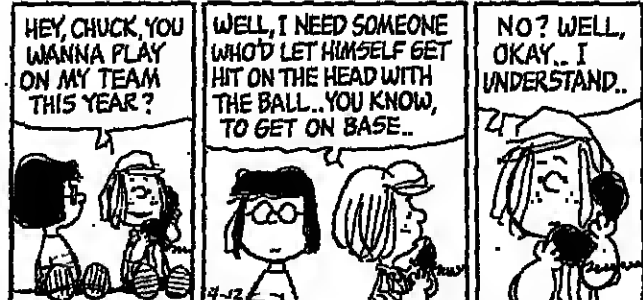
206 J.L.S. FRN 5.232509/3000 100.

(Continued)

[illegible][illegible][illegible]

Albany	N.Y.	1900	19,000	1.0	19,000
Albany	N.Y.	1910	21,000	1.0	21,000
Albany	N.Y.	1920	23,000	1.0	23,000
Albany	N.Y.	1930	25,000	1.0	25,000
Albany	N.Y.	1940	27,000	1.0	27,000
Albany	N.Y.	1950	29,000	1.0	29,000
Albany	N.Y.	1960	31,000	1.0	31,000
Albany	N.Y.	1970	33,000	1.0	33,000
Albany	N.Y.	1980	35,000	1.0	35,000
Albany	N.Y.	1990	37,000	1.0	37,000
Albany	N.Y.	2000	39,000	1.0	39,000
Albany	N.Y.	2010	41,000	1.0	41,000
Albany	N.Y.	2020	43,000	1.0	43,000
Albany	N.Y.	2030	45,000	1.0	45,000
Albany	N.Y.	2040	47,000	1.0	47,000
Albany	N.Y.	2050	49,000	1.0	49,000
Albany	N.Y.	2060	51,000	1.0	51,000
Albany	N.Y.	2070	53,000	1.0	53,000
Albany	N.Y.	2080	55,000	1.0	55,000
Albany	N.Y.	2090	57,000	1.0	57,000
Albany	N.Y.	2100	59,000	1.0	59,000
Albany	N.Y.	2110	61,000	1.0	61,000
Albany	N.Y.	2120	63,000	1.0	63,000
Albany	N.Y.	2130	65,000	1.0	65,000
Albany	N.Y.	2140	67,000	1.0	67,000
Albany	N.Y.	2150	69,000	1.0	69,000
Albany	N.Y.	2160	71,000	1.0	71,000
Albany	N.Y.	2170	73,000	1.0	73,000
Albany	N.Y.	2180	75,000	1.0	75,000
Albany	N.Y.	2190	77,000	1.0	77,000
Albany	N.Y.	2200	79,000	1.0	79,000
Albany	N.Y.	2210	81,000	1.0	81,000
Albany	N.Y.	2220	83,000	1.0	83,000
Albany	N.Y.	2230	85,000	1.0	85,000
Albany	N.Y.	2240	87,000	1.0	87,000
Albany	N.Y.	2250	89,000	1.0	89,000
Albany	N.Y.	2260	91,000	1.0	91,000
Albany	N.Y.	2270	93,000	1.0	93,000
Albany	N.Y.	2280	95,000	1.0	95,000
Albany	N.Y.	2290	97,000	1.0	97,000
Albany	N.Y.	2300	99,000	1.0	99,000
Albany	N.Y.	2310	101,000	1.0	101,000
Albany	N.Y.	2320	103,000	1.0	103,000
Albany	N.Y.	2330	105,000	1.0	105,000
Albany	N.Y.	2340	107,000	1.0	107,000
Albany	N.Y.	2350	109,000	1.0	109,000
Albany	N.Y.	2360	111,000	1.0	111,000
Albany	N.Y.	2370	113,000	1.0	113,000
Albany	N.Y.	2380	115,000	1.0	115,000
Albany	N.Y.	2390	117,000	1.0	117,000
Albany	N.Y.	2400	119,000	1.0	119,000
Albany	N.Y.	2410	121,000	1.0	121,000
Albany	N.Y.	2420	123,000	1.0	123,000
Albany	N.Y.	2430	125,000	1.0	125,000
Albany	N.Y.	2440	127,000	1.0	127,000
Albany	N.Y.	2450	129,000	1.0	129,000
Albany	N.Y.	2460	131,000	1.0	131,000
Albany	N.Y.	2470	133,000	1.0	133,000
Albany	N.Y.	2480	135,000	1.0	135,000
Albany	N.Y.	2490	137,000	1.0	137,000
Albany	N.Y.	2500	139,000	1.0	139,000
Albany	N.Y.	2510	141,000	1.0	141,000
Albany	N.Y.	2520	143,000	1.0	143,000
Albany	N.Y.	2530	145,000	1.0	145,000
Albany	N.Y.	2540	147,000	1.0	147,000
Albany	N.Y.	2550	149,000	1.0	149,000
Albany	N.Y.	2560	151,000	1.0	151,000
Albany	N.Y.	2570	153,000	1.0	153,000
Albany	N.Y.	2580	155,000	1.0	155,000
Albany	N.Y.	2590	157,000	1.0	157,000
Albany	N.Y.	2600	159,000	1.0	159,000
Albany	N.Y.	2610	161,000	1.0	161,000
Albany	N.Y.	2620	163,000	1.0	163,000
Albany	N.Y.	2630	165,000	1.0	165,000
Albany	N.Y.	2640	167,000	1.0	167,000
Albany	N.Y.	2650	169,000	1.0	169,000
Albany	N.Y.	2660	171,000	1.0	171,000
Albany	N.Y.	2670	173,000	1.0	173,000
Albany	N.Y.	2680	175,000	1.0	175,000
Albany	N.Y.	2690	177,000	1.0	177,000
Albany	N.Y.	2700	179,000	1.0	179,000
Albany	N.Y.	2710	181,000	1.0	181,000
Albany	N.Y.	2720	183,000	1.0	183,000
Albany	N.Y.	2730	185,000	1.0	185,000
Albany	N.Y.	2740	187,000	1.0	187,000
Albany	N.Y.	2750	189,000	1.0	189,000
Albany	N.Y.	2760	191,000	1.0	191,000
Albany	N.Y.	2770	193,000	1.0	193,000
Albany	N.Y.	2780	195,000	1.0	195,000
Albany	N.Y.	2790	197,000	1.0	197,000
Albany	N.Y.	2800	199,000	1.0	199,000
Albany	N.Y.	2810	201,000	1.0	201,000
Albany	N.Y.	2820	203,000	1.0	203,000
Albany	N.Y.	2830	205,000	1.0	205,000
Albany	N.Y.	2840	207,000	1.0	207,000
Albany	N.Y.	2850	209,000	1.0	209,000
Albany	N.Y.	2860	211,000	1.0	211,000
Albany	N.Y.	2870	213,000	1.0	213,000
Albany	N.Y.	2880	215,000	1.0	215,000
Albany	N.Y.	2890	217,000	1.0	217,000
Albany	N.Y.	2900	219,000	1.0	219,000
Albany	N.Y.	2910	221,000	1.0	221,000
Albany	N.Y.	2920	223,000	1.0	223,000
Albany	N.Y.	2930	225,000	1.0	225,000
Albany	N.Y.	2940	227,000	1.0	227,000
Albany	N.Y.	2950	229,000	1.0	229,000
Albany	N.Y.	2960	231,000	1.0	231,000
Albany	N.Y.	2970	233,000	1.0	233,000
Albany	N.Y.	2980	235,000	1.0	235,000
Albany	N.Y.	2990	237,000	1.0	237,000
Albany	N.Y.	3000	239,000	1.0	239,000
Albany	N.Y.	3010	241,000	1.0	241,000
Albany	N.Y.	3020	243,000	1.0	243,000
Albany	N.Y.	3030	245,000	1.0	245,000
Albany	N.Y.	3040	247,000	1.0	247,000
Albany	N.Y.	3050	249,000	1.0	249,000
Albany	N.Y.	3060	251,000	1.0	251,000
Albany	N.Y.	3070	253,000	1.0	253,000
Albany	N.Y.	3080	255,000	1.0	255,000
Albany	N.Y.	3090	257,000	1.0	257,000
Albany	N.Y.	3100	259,000	1.0	259,000
Albany	N.Y.	3110	261,000	1.0	261,000
Albany	N.Y.	3120	263,000	1.0	263,000
Albany	N.Y.	3130	265,000	1.0	265,000
Albany	N.Y.	3140	267,000	1.0	267,000
Albany	N.Y.	3150	269,000	1.0	269,000
Albany	N.Y.	3160	271,000	1.0	271,000
Albany	N.Y.	3170	273,000	1.0	273,000
Albany	N.Y.	3180	275,000	1.0	275,000
Albany	N.Y.	3190	277,000	1.0	277,000
Albany	N.Y.	3200	279,000	1.0	279,000
Albany	N.Y.	3210	281,000	1.0	281,000
Albany	N.Y.	3220	283,000	1.0	283,000
Albany	N.Y.	3230	285,000	1.0	285,000
Albany	N.Y.	3240	287,000	1.0	287,000
Albany	N.Y.	3250	289,000	1.0	289,000
Albany	N.Y.	3260	291,000	1.0	291,000
Albany	N.Y.	3270	293,000	1.0	293,000
Albany	N.Y.	3280	295,000	1.0	295,000
Albany	N.Y.	3290	297,000	1.0	297,000
Albany	N.Y.	3300	299,000	1.0	299,000
Albany	N.Y.	3310	301,000	1.0	301,000
Albany	N.Y.	3320	303,000	1.0	303,000
Albany	N.Y.	3330	305,000	1.0	305,000
Albany	N.Y.	3340	307,000	1.0	307,000
Albany	N.Y.	3350	309,000	1.0	309,000
Albany	N.Y.	3360	311,000	1.0	311,000
Albany	N.Y.	3370	313,000	1.0	313,000
Albany	N.Y.	3380	315,000	1.0	315,000
Albany	N.Y.	3390	317,000	1.0	317,000
Albany	N.Y.	3400	319,000	1.0	319,000
Albany	N.Y.	3410	321,000	1.0	321,000
Albany	N.Y.	3420	323,000	1.0	323,000
Albany	N.Y.	3430	325,000	1.0	325,000
Albany	N.Y.	3440	327,000	1.0	327,000
Albany	N.Y.	3450	329,000	1.0	329,000
Albany	N.Y.	3460	331,000	1.0	331,000
Albany	N.Y.	3470	333,000	1.0	333,000
Albany	N.Y.	3480	335,000	1.0	335,000
Albany	N.Y.	3490	337,000	1.0	337,000
Albany	N.Y.	3500	339,000	1.0	339,000
Albany	N.Y.	3510	341,000	1.0	341,000
Albany	N.Y.	3520	343,000	1.0	343,000
Albany	N.Y.	3530	345,000	1.0	345,000
Albany	N.Y.	3540	347,000	1.0	347,000
Albany	N.Y.	3550	349,000	1.0	349,000
Albany	N.Y.	3560	351,000	1.0	351,000
Albany	N.Y.	3570	353,000	1.0	353,000
Albany	N.Y.	3580	355,000	1.0	355,000
Albany	N.Y.	3590	357,000	1.0	357,000
Albany	N.Y.	3600	359,000	1.0	359,000
Albany	N.Y.	3610	361,000	1.0	361,000
Albany	N.Y.	3620	363,000	1.0	363,000
Albany	N.Y.	3630	365,000	1.0	365,000
Albany	N.Y.	3640	367,000	1.0	367,000
Albany	N.Y.	3650	369,000	1.0	369,000
Albany	N.Y.	3660	371,000	1.0	371,000
Albany	N.Y.	3670	373,000	1.0	373,000
Albany	N.Y.	3680	375,000	1.0	375,000
Albany	N.Y.	3690	377,000	1.0	377,000
Albany	N.Y.	3700	379,000	1.0	379,000
Albany	N.Y.	3710	381,000	1.0	381,000
Albany	N.Y.	3720	383,000	1.0	383,000
Albany	N.Y.	3730	385,000	1.0	385,000
Albany	N.Y.	3740	387,000	1.0	387,000
Albany	N.Y.	3750	389,000	1.0	389,000
Albany	N.Y.	3760	391,000	1.0	391,000
Albany	N.Y.	3770	393,000	1.0	393,000
Albany	N.Y.	3780	395,000	1.0	395,000
Albany	N.Y.	3790	397,000	1.0	397,000
Albany	N.Y.	3800	399,000	1.0	399,000
Albany	N.Y.	3810	401,000	1.0	401,000
Albany	N.Y.	3820	403,000	1.0	403,000
Albany	N.Y.	3830	405,000	1.0	405,000
Albany	N.Y.	3840	407,000	1.0	407,000
Albany	N.Y.	3850	409,000	1.0	409,000
Albany	N.Y.	3860	411,000	1.0	411,000
Albany	N.Y.	3870	413,000	1.0	413,000
Albany	N.Y.	3880	415,000	1.0	415,000
Albany	N.Y.	3890	417,000	1.0	417,000
Albany	N.Y.	3900	419,000	1.0	419,000
Albany	N.Y.	3910	421,000	1.0	421,000
Albany	N.Y.	3920	423,000	1.0	423,000
Albany	N.Y.	3930	425,000	1.0	425,000
Albany	N.Y.	3940	427,000	1.0	427,000
Albany	N.Y.	3950	429,000	1.0	429,000
Albany	N.Y.	3960	431,000	1.0	431,000
Albany	N.Y.	3970	433,000	1.0	433,000
Albany	N.Y.	3980	435,000	1.0	435,000
Albany	N.Y.	3990	437,000	1.0	437,000
Albany	N.Y.	4000	439,000	1.0	439,000
Albany	N.Y.				

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SPORTS

Wales Shocks England to Hand the Scots Rugby's 5 Nations Crown

Late, Late Kick
By Neil Jenkins
Is Final Twist
As an Era EndsBy Christopher Clarey
International Herald Tribune

LONDON — The Five Nations rugby union tournament ended Sunday as it began 89 years ago: with Wales winning the last match.

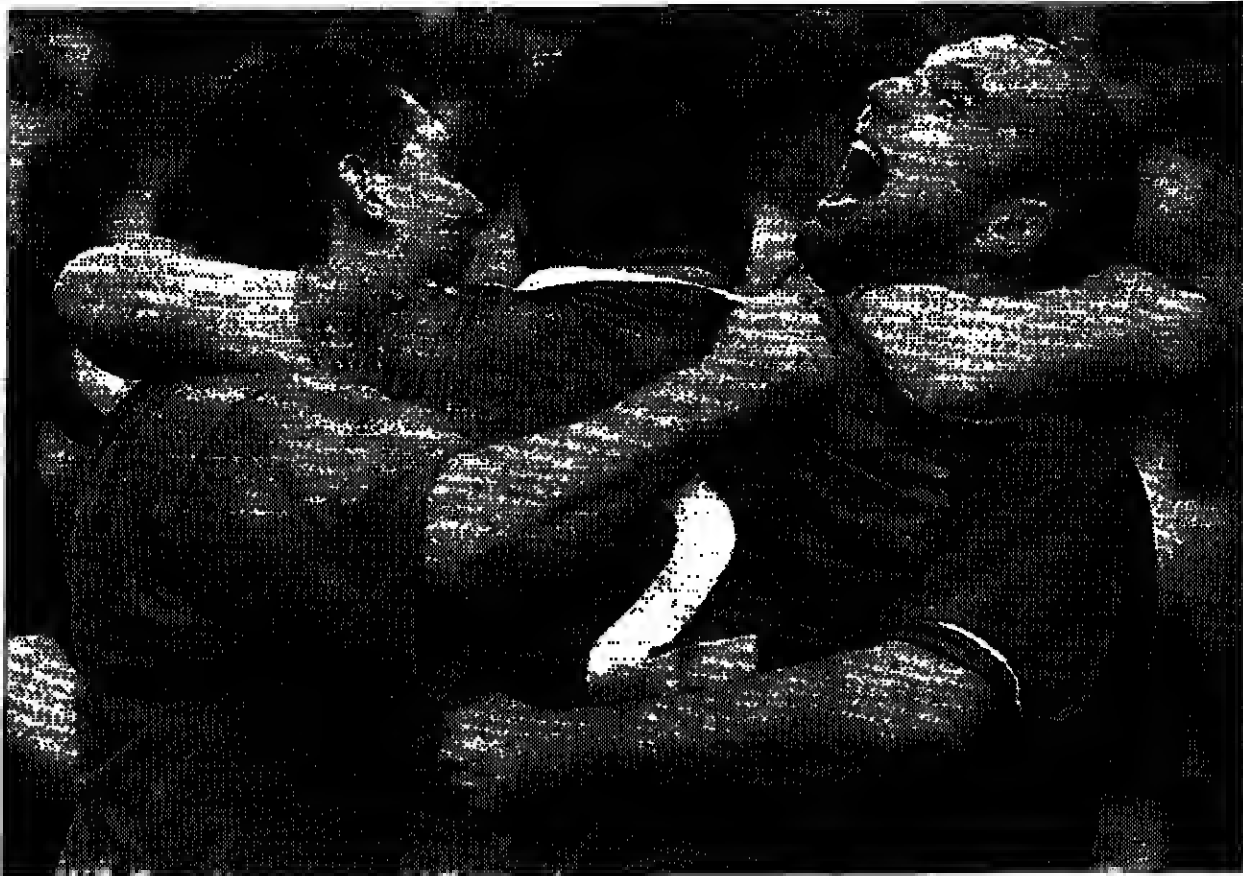
But there is no question which of those two victories was the more memorable. Comparing the Welsh rout of the overmatched French in 1910 to the thrill-a-minute, 32-31, Welsh triumph over the heavily favored English on Sunday is like comparing a vaudeville act to a Shakespeare play.

The only time the Welsh led on Sunday was in the final two minutes of extra time after a hell-bent, tackle-breaking romp by Scott Gibbs through the English defense gave Wales the game's final try and Neil Jenkins then somehow managed to contain his emotions and kick the match-winning conversion.

Three minutes later, when the final whistle at Wembley Stadium blew, there was no more need to suppress feelings, and the Welsh leapt and embraced as if it had been a century instead of only six years since they had beaten their fellow Britons in a rugby game.

The Scottish players were not on the field Sunday, but they were presumably doing plenty of leaping and embracing of their own, because the Welsh victory not only kept England from completing the Grand Slam by sweeping all four of its matches, it allowed Scotland to win the final Five Nations tournament. England and Scotland both finished with three victories, but the Scots' point differential was superior. The Welsh victory also meant France ended up in last in the standings.

No team was appreciably better at Wembley, which must have come as a surprise to the English, whose overwhelming pack and efficient if not all-ways uplifting play in their first three victories figured to be enough to snuff the life out of the surprising Welsh.



Peter Rogers, left, Garin Jenkins, center, and Ben Evans of Wales celebrating victory over England on Sunday.

But though there were penalties and missed opportunities aplenty, this would not be an afternoon for prosaic rugby. And in the second minute when Dan Luger took a fine pass from Matt Perry and broke two tackles on his way to the end zone to give England a quick lead, the tone was set. England would score two more tries in the first half: the second from Steve Hanley in the 19th minute and the third from Richard Hill, who capitalized on a mid-air collision in the 38th minute between Wales's Gareth Thomas and Shane Howarth as they jumped for a ball.

It rolled loose, and Hill leaped on it, and even if it appeared that he crawled across the goal line instead of tumbled across, it was still a try and wunderkind Jonny Wilkinson's conversion gave England a 25-15 lead.

Wales's 15 points had all come on penalty kicks from their round-

shouldered fly half Jenkins and in the final moments of the first half, he kicked his sixth of the day to make it 25-18. When the Welsh came back for the second half with the crowd in full voice — though this was Wembley, this was a Welsh home game — Jenkins quickly helped make it 25-25 with a marvelous high and wide pass to Howarth that allowed the fullback and former All Black to score.

But two successful penalty kicks from the 19-year-old Wilkinson gave England a 31-25 advantage with 25 minutes to play, and when that score was still the same heading into the final minutes, it appeared that the Welsh might have used up all their reserves. At every break, they were leaning over, clinging to their own shorts for support, and gasping for air. But in the 82d minute came a final chance: a line-out for Wales in the English half.

Rob Howley, the Welsh captain,

passed to Scott Quinnell, who bobbed the ball but managed to get it to Gibbs, who was, with perfect timing, moving at full speed. His momentum would help him elude five would-be tacklers, including Matt Perry, who managed to get his arms around Gibbs's legs.

A Welshman named Scott had put the Scots within one conversion of the title. Jenkins, as angular of face and round of shoulder as ever, would deliver.

"I felt comfortable all day with the boot and I was not too worried at the end," said Jenkins. "Though I think the crowd would have lynched me if I hadn't have kicked it."

Many of those who watched his kick go through the uprights after an afternoon of multiple twists and tries at Wembley will be convinced that this classic European event, which will become the Six Nations when Italy officially joins next year, saved its best for last.

France Suffers Crushing Loss
And Is Boomed By Its Own Fans

International Herald Tribune

PARIS — They have come by the tens of thousands since last July to visit the Stade de France: parents, sons and daughters, too, to tour the talismanic, oval-topped spot where Zinedine Zidane and France won soccer's World Cup and have yet to lose a match.

But there will be no French rugby fans banging at the gates this summer. Not after Saturday's 36-22 loss to Scotland, in a game in which 52 points came in a remarkable first 28 minutes.

After sweeping the Five Nations Tournament the last two years with consecutive Grand Slams, the French came close to being swept themselves in the last year before Italy's arrival will force a name change on this classic European event.

France's only victory in this final "Five" Nations came by a single point in their opening game against Ireland, but Wales, England and now a resurgent Scotland have done a thorough job of stripping away the French mystique and reappraising layers of confusion and doubt as another World Cup looms in October.

"We are players who know what it is like to play at the highest level, but then we were times we felt ridiculous out there," said Emile Ntamack, France's fullback.

"We were running into each other, miscommunicating, making basic errors." Two years ago, in the smaller, darker Paris stadium, Parc des Princes, the French beat the Scots by 27 points. Last year in Scotland, the French humiliated them 51-16.

The French did start quickly Saturday when Thomas Castaignede raced 50 meters after his quick penalty. He was brought down just short of the goal-line hot Ntamack battered across to give the French their only lead. As his team celebrated, Castaignede remained on the turf, the ligaments in his knee strained, his match over in the second minute.

As if to prove Castaignede's importance, the Scots and their own special fly half Gregor Townsend were soon gleefully breaking tackles and breaking free.

In a span of 19 minutes, they scored five tries in routinely imaginative fashion. "It was almost unbelievable," said Jim Telford, Scotland's coach. "The things we were doing out there were the

things we were doing in practice, and everything we tried seemed to work."

Though the French scored three tries of their own in a rollicking, opening half that bore more resemblance to Hong Kong Sevens than the Five Nations, the Scots led 33-22 when it ended and the French fans sent their team to the locker room to the sound of hoots and whistles.

"It was just superb to see Scottish boys doing what the French did to us last year," said Gary Armstrong, the Scottish captain.

Not all the boys doing the damage were native Scots. Martin Leslie, the agile back row player who scored the first Scottish try in the ninth minute and the last in the 27th, is a recent arrival from New Zealand. So is his older brother John, whose communication with Townsend as they strung together passes in the first half bordered on the telepathic. Glenn Metcalfe, the fullback, was also born a New Zealander, and his inspired and quick-penetrating runs from a long way back posed one more problem the French were incapable of solving.

The bulk of the problems — as usual in this reaffirming season — were caused by the Scottish midfield: John Leslie, Alan Tait, who scored two tries of his own. Townsend, who scored one to become only the fifth man in the 89-year-history of this tournament to score a try in all four games in a season.

Townsend has been earning his living at the fine French club Brive, and though the French players have cited the increasingly taxing schedule as one of their reasons for their rash of injuries and rapid decline, the extra work certainly has not hurt Townsend or Scotland.

In the second half, when the pace slowed to a more conventional rhythm and the holes in the French defense became less obvious and inviting, the Scots managed to win at this game, too, outscoring the French, 3-0, and twice stopping them near the goal-line.

Townsend and his hustling, gambling teammates will always have Paris, or better yet Saint-Denis.

"If you ask me," Armstrong said, "they should have moved us away from Parc des Princes 10 years ago."

—CHRISTOPHER CLAREY

Clemens Shines in Bronx Debut
With 8 Strikeouts Over TigersBy Buster Olney
New York Times Service

NEW YORK — Roger Clemens will inspire the imagination of Yankee Stadium's decorators like no other pitcher in club history. While he made his first home start as a Yankee, a half-dozen amateur artists tried to keep up with his strikeouts, in varying fashions.

Hanging from the grandstands, there were K's in script, K's in medical tape and, in honor of Clemens' nickname, rocks hung by one fan.

Clemens struck out eight and allowed three hits in pitching seven and two-thirds shutout innings in the

AL ROUNDUP

Yankees' 5-0 victory over Detroit on Saturday. He has not suffered a loss since May 29 of last year and his 16 consecutive victories are one short of the American League record shared by Baltimore's Dave McNally (in 1968-69) and Cleveland's Johnny Allen (1936-37). Carl Hubbell set the major-league record of 24 for the New York Giants during the 1936 and 1937 seasons.

The Detroit hitters were 0-for-7 with runners in scoring position against Clemens; the Yankees' starting pitchers have held opponents to just one hit in 18 at-bats with runners in scoring position in 34th innings of work.

Chili Davis and Scott Brosius each hit home runs for the second consecutive afternoon, and the Yankees won their fourth consecutive game with Don Zimmer, the interim manager, in charge. When manager Joe Torre, recovering from prostate cancer, visited with the Yankees' general manager, Brian Cashman, before the game, Cashman asked jokingly: "What if Zimmer starts the season 20-1? We might not want you back."

As Clemens stretched and warmed up, a handful of Tigers pitchers watched from a distance. Clemens has his own routine, unique to him — for instance, Clemens will mimic the motion of fielding a grounder and

then firing to first base several times — and if he had not won a Cy Young Award or two along the way, his habits might be seen as eccentric. But conventional wisdom is that Clemens does everything for a reason, so others watch and learn.

There was a lesson in how Clemens pitched to Tony Clark, Detroit's towering first baseman. After throwing a curveball away with his first pitch to Clark — the big guy leaned over the plate to get a closer look — Clemens huzzed an inside fastball past Clark, who flinched a hit. With Clark alerted to the real possibility that he might step into a 94-mile-per-hour fastball, Clemens subsequently pitched outside, and Clark waved weakly, fouling off two fastballs and striking out on a splitter in the dirt.

Clark's next at-bat occurred in the fourth; the Tigers' hitters had compiled a single hit and four strikeouts by then. Clemens continued to pitch outside to Clark, who seemed to be waiting for Clemens to throw something inside. Clemens threw two curves for called strikes, then uncorked a split-fingered fastball that Clark flied at unsuccessfully.

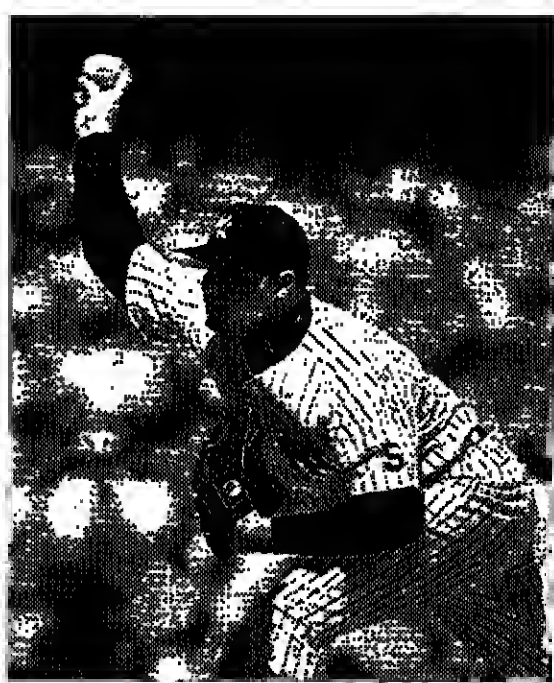
In other American League games, The Associated Press reported:

Orioles 1, Blue Jays 0 Mike Mussina halted a string of poor performances by Baltimore's starting rotation, allowing four hits in seven innings and striking out seven to beat visiting Toronto.

Mussina outdueled Chris Carpenter, who was equally effective after the first inning, when Will Clark scored an unearned run on a double by Albert Belle. Clark kicked the ball from the glove of catcher Mike Matheny, who was charged with an error.

Royals 9, White Sox 4 Rey Sanchez drove in four runs and had four RBIs and Jermaine Dye had four hits — both matching their career highs — as Kansas City won in Chicago.

Athletics 11, Mariners 4 John Jaha hit two home runs, and Ryan Christenson and Tony Phillips also con-



Roger Clemens firing a pitch at Yankee Stadium.

nected as Oakland emerged from a batting slump to win in Seattle.

The A's 11 runs were more than they had totaled in their first four games.

Indians 12, Twins 7 Dwight Gooden was tagged for five runs and five hits, getting just two outs. But his Cleveland Indians still won in Minnesota.

Gooden, despite a 6-0 first-inning lead, lasted just 29 pitches.

Angels 10, Rangers 0 Garret Anderson and Randy Velarde had four hits each, and Omar Olivares shut down Texas on three hits in 7 1/2 innings as Anaheim won in Texas.

Red Sox 5, Devil Rays 3 Pedro Martinez allowed seven hits, struck out nine and walked one in seven innings as Boston won in St. Petersburg to begin a season 5-0 for the first time since 1946.

Braves' Rally in Ninth
Skins the Diamondbacks

The Associated Press

ATLANTA — Andrew Jones hit a two-run single off Gregg Olson in the ninth inning Sunday as the Atlanta Braves rallied to beat the Arizona Diamondbacks, 3-2.

Olson (0-1) blew a save for the third time in three chances this year, allowing Greg Maddux to escape with a no-decision despite allowing home runs to

NL ROUNDUP

Travis Lee and Luis Gonzalez. Maddux allowed two or more homers in a game just twice last year.

Todd Stottlemyre had shut down Atlanta on just four hits over the first eight innings, allowing an RBI groundout to Jones in the eighth following singles by Jones and Keith Lockhart.

Olson, who blew leads in Los Angeles on Opening Day and against the Braves on Friday night, quickly found himself in trouble when Ozzie Guillen reached on a leadoff error by Jay Bell.

Chipper Jones then flied out, but Olson walked Brian Jordan and Ryan Klesko on 3-2 pitches, loading the bases, and Jones singled to left, driving in the tying and winning runs. Jordan scored easily ahead of Gonzalez's throw.

Kevin McGlinchey (1-0) pitched a one-hit ninth to win his first major-league decision. Maddux gave up six hits in eight innings, walked two and struck out three. He walked two or more just 14 times in 34 starts last year.

Stottlemyre, 0-5 against Atlanta in his career, struck out six and walked none.

Phillies 2, Marlins 1 In Miami, Chad Ogea pitched 6 1/3 strong innings and continued his mastery over Florida.

Ogea (1-1), who was 2-0 with a 1.54 ERA while pitching for Cleveland against Florida in the 1997 World Series, held the Marlins to three singles and no earned runs for his first NL victory.

Ogea, acquired from the Indians in an offseason trade following an injury-plagued season, struck out one and walked one. He gave up an infield single to Mark Kotsay in the fourth and retired the next 10 batters before walking Todd Dunwoody in the seventh.

Wayne Gomes, Jim Poole and Jeff Brantley finished up, with Brantley picking up his fourth save in as many opportunities. The Marlins had runners on first and second with two outs in the ninth, but Brantley retired Craig Counsell on a fly to center for the final out.

Cardinals Honor Schoendienst

There's more company for the once-solitary Stan Musial statue outside Busch Stadium, now that the Cardinals have unveiled a likeness of the Hall of Famer Red Schoendienst. The Associated Press reported from St. Louis.

Schoendienst, 76, was honored Sunday prior to the Cardinals-Reds game. He has been with the team for 51 years — 15 as a player, 12 as manager, 20 as coach and the last four as special assistant to General Manager Walt Jocketty.

The bronze statue catches Schoendienst in midair at second base, kicking up dust as he makes the pivot on a double play.

Edmonton Edges Closer
To a Berth in Playoffs

The Associated Press

VANCOUVER, British Columbia — Doug Weight scored with 4 minutes, 44 seconds left in the third period to give Edmonton a 1-1 draw against the Vancouver Canucks, putting the Oilers four

he did not intentionally hit Snow. "He probably says that ten times a game," Snow said.

Brent Sopel, a Vancouver rookie playing in his third NHL game, scored his first career goal.

In other NHL games Saturday, Boston beat Tampa Bay, 3-2, to climb into a tie for sixth place in the Eastern Conference. Boston is even with the Buffalo Sabres, who played to a 1-1 draw against Ottawa. The tie kept the Senators in first place in the conference, two points ahead of New Jersey. The Devils won, 6-2, in Montreal against the Canadiens.

The Maple Leafs beat the Florida Panthers, 9-1, in Toronto for their 44th victory of the season, tying a club record.

The playoff-bound Carolina Hurricanes won, 6-1, against the Islanders in New York. The Philadelphia Flyers won, 2-1, in Washington against the Capitals.



Patrick Elias of the Devils flying past a Montreal defenseman, Eric Weinrich, and the Canadiens' goalie, Jose Theodore, after scoring. New Jersey won, 6-2.

Wizards Overcome 76ers, 105-98

The Associated Press

WASHINGTON — In the fourth quarter of Washington's victory over Philadelphia on Sunday, Rod Strickland gave Allen Iverson a lesson in playing point guard with the game on the line.

After three quarters of watching Iverson's brilliant but erratic play, Strickland scored 10 of his 19 points in the final period as the Wizards snapped a five-game losing streak with a 105-98 victory over the 76ers.

In Jim Brevell's first victory in four games as coach since the firing of Bernie Bickerstaff, Strickland and the Wizards made Iverson look like a rookie down the stretch.

The NBA's leading scorer had 29 points after three quarters as the 76ers led by 11, but he missed his next four shots and committed three turnovers in the fourth quarter as the Wizards rallied to outscore the 76ers, 34-16, over the final 12 minutes. Iverson finished with 32 points, 10 rebounds and five assists as the 76ers had their three-game winning streak snapped.

Mitch Richmond scored 24 for the Wizards, who won for only the second time in 14 games when trailing at halftime.

With 3:26 to go, Strickland's 3-point play after a two-handed scoop lay-up put the

NBA ROUNDUP

Wizards ahead for good at 92-91. Strickland's 3-pointer with 2:13 to play made it 97-91.

In games played Saturday: Heat 82, Bulls 40 In Chicago, the Bulls scored the lowest point total since the introduction of the shot clock as they lost to Miami.

The Bulls also set an NBA low with only 18 field goals, one fewer than the previous mark set by Indiana against New York in 1985.

Cavaliers 81, Hawks 67 Shawn Kemp had 24 points and 12 rebounds, and Cleveland held visiting Atlanta to 29 percent shooting.

Hornets 92, Pacers 90 Bobby Phillips scored 23 points, including a baseline jumper with 38 seconds left that put Charlotte ahead for

good in Indianapolis.

Warriors 91, Mavericks 80 Terry Cummings scored 12 points in the fourth quarter and Jason Caffey had a steal and layup with 32.6 seconds remaining as Golden State snapped a three-game losing streak in Dallas.

Suns 110, Spurs 84 Rookie Pat Garrity, starting in place of injured Tom Gugliotta, scored a career-high 25 points and Rex Chapman broke out of a long shooting slump with 18 points as Phoenix snapped visiting San Antonio's six-game winning streak.

Kings 110, Nuggets 104 Vinde Divac had 21 points, 15 rebounds and eight assists as Sacramento beat Denver. Nick Van Exel had 25 points and nine assists for Denver, which is 1-18 on the road so far.

Trail Blazers 97, Clippers 70 Rasheed Wallace scored 19 points and Walt Williams added 17 as Portland overcame a slow start to beat error-plagued Los Angeles in Anaheim. After falling behind 20-3, Portland rallied to beat the Clippers for the ninth straight time.

SPORTS

Tafi Captures Paris-Roubaix

By Samuel Aht
International Herald Tribune

ROUBAIX, France—Andrea Tafi, a workhorse for the Mapei team, has won some big bicycle races but eagerly admits that the one he has always wanted to win is Paris-Roubaix, "the Hell of the North." He especially wanted to win it, he said Sunday morning while he was wearing the jersey of the Italian national champion, because in 1980 he saw his boyhood idol, Francesco Moser, win Paris-Roubaix in that same jersey.

Dream fulfilled. After finishing third in the race in 1996 and second last year, Tafi cruised to a clear — but certainly not easy — victory Sunday. He broke away from a group of half a dozen riders with 37 kilometers (23 miles) of the race's 273 kilometers to go and steadily pulled ahead of his pursuers.

At the end, when he entered the velodrome in Roubaix and turned on a broad smile, Tafi was two minutes, 14 seconds ahead. He was clocked at 6 hours, 44 minutes and 15 seconds, an average speed of 40.5 kilometers per hour on a sunny and crisp day better suited to American college football than a Paris-Roubaix race.

Usually the day is either rainy, in which case the 26 sections of cobblestones that decorate the course are

of the riders and the tens of thousands of fans who screamed encouragement along the road.

Tafi's Mapei team, the top-rated club in the sport, continued its dominance of Paris-Roubaix. In second place was Wilfried Peeters, a Belgian with Mapei, and third in a sprint finish among the other pursuers was Tom Steels of Mapei. 12 seconds behind Peeters, Mapei riders have won four of the last five years and have swept the top three positions three times over that period.

Fourth in a sprint finish was George Hincapié, an American with U.S. Postal Services, and fifth was Jo Planckaert, a Belgian with Lotto-Hincapié, who will turn 26 in June, continued to show enormous progress in one-day races, having finished 21st in the Tour of Flanders on April 4 and fourth in Ghent-Wevelgem on Wednesday.

Of 183 starters Sunday, just 66 finished.

Mapei, which is based in Italy but includes many Belgian riders, received a stern lecture after the Tour of Flanders, where its riders finished third and fourth. That ranked as a gross defeat, they were told, and they were advised to pull their socks up.

They did, as Steels won Ghent-Wevelgem and Tafi took Paris-Roubaix. The next World Cup classic is Liege-Bastogne-Liege on Sunday, when another Mapei rider, Michele Bartoli, will be

favoured to win for the third consecutive year.

With so many stars, including Johan Museeuw, who



Andrea Tafi of Italy riding through one of the cobblestoned sections of the Paris-Roubaix race Sunday.

won Paris-Roubaix in 1996, Museeuw, Ballerini and Tafi walked around the velodrome in that order and Museeuw did win the World Cup when the 10-race competition ended in October.

Ballerini rebounded to win Paris-Roubaix last year by more than four minutes, with Tafi second.

This time it was Tafi's turn.

But he had better keep an eye peeled next year: His teammate Peeters, another workhorse, has now finished third and second, just as Tafi did, and may be dreaming the same big dreams that Tafi

The strategy worked as Museeuw, Ballerini and Tafi walked around the velodrome in that order and Museeuw did win the World Cup when the 10-race competition ended in October.

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Hakkinen Takes Brazil Prix

Compiled by Our Staff From Dispatches

SAO PAULO — Mika Hakkinen of Finland won the Brazilian Grand Prix on Sunday, giving the McLaren team its first victory of the Formula One season.

Hakkinen, who also won the 1998 race en route to his first seasonal title, completed the 72-lap race on the 4.32-kilometer (2.68-mile) Jose Carlos Pace track in 1 hour, 36 minutes, 3.78 seconds.

Michael Schumacher of Germany, in a Ferrari, finished second. Heinz-Harald Frentzen of Germany finished third in a Jordan, followed by Ralf Schumacher, another German, in a Williams, Eddie Irvine of Britain in a Ferrari and Olivier Panis of France in a Prost-Peugeot.

Irvine retained the overall lead in the world drivers' championship with 12 points after two rounds.

McLaren's so far less-than-convincing defense of its hard-won drivers' and constructors' championships had looked destined to continue earlier after a disastrous start. Hakkinen and his teammate, David Coulthard, had looked well-placed to dominate the race after claiming pole and second place on the grid respectively.

But Coulthard stalled at the start, effectively putting him out of contention before the race had begun, while Hakkinen soon gave up his advantage.

On lap four the Finn conceded the lead to Brazilian driver Rubens Barrichello in a Stewart-Ford with Schumacher taking second place and Hakkinen apparently struggling in third.

Coulthard's problem was later diagnosed to be hydraulic, while a similar cause was the explanation for Hakkinen's problems on lap four.

Hakkinen got his act together and started to push Schumacher for second place in nine laps of the 72-lap race gone.

Barrichello's British teammate Johnny Herbert fared less well going out after 17 laps, while another Briton, the former world champion Damon Hill, also exited early in his Jordan.

Coulthard was three laps back after finally managing to start his car and was making a determined bid to move up the field, but he ended on lap 28.

Jean Alesi of France, in a Sauber, looked to be posting a challenge and at one point was fifth before a pitstop on lap 26 held him up, and his race finished just shortly afterward.

Barrichello came into the pits on lap 27, handing the lead to Schumacher, and re-emerged in fourth with Hakkinen second and Ferrari's Irvine, who won the opening race of the season in Australia, up to third.

Hakkinen took that to be his cue to turn up the heat on Schumacher with the gap between the two coming down to

half a second.

Frenchman Stephane Sarrazin, a Prost test driver making his Grand Prix debut for the Minardi team, was the most spectacular casualty just before the halfway point as he smashed into a barrier.

Barrichello brought a huge roar from his home crowd when he eased past Irvine to take third place on lap 36.

The man known as Rubinho has finally brought the crowds back to Interlagos nearly five years after the tragic accident that killed Brazilian golden boy Ayrton Senna at Imola in 1994.

On lap 37 Schumacher came in for his pit stop, ceding the lead to Hakkinen.

Irvine's progress was held up by an uncharacteristically slow 11.6 pit stop by the Ferrari team.

Hakkinen immediately took his stop and came back out still ahead of two-time world champion Schumacher.

Finally Barrichello's glory bid came to an end after 42 laps when he left the circuit with a puff of smoke indicating engine problems.

With 50 laps gone Hakkinen stretched his lead with Schumacher to 5.2 seconds. The Finn consolidated his lead in the closing laps with Schumacher unable to mount one of his famous charges and, after Irvine's opening victory for Ferrari, the scene looks set for a season-long duel between the teams that dominated last season's championship. (AP, AFP)

Soldini Steels for His Next Adventure

New York Times Service

NEW YORK — It would seem that victory in a single-handed yacht race around the world would merit a nap in an Alpine meadow, or a walk in the park at least. But for Giovanni Soldini, the Italian, an unlikely win the Around Alone sailing competition, another sea adventure is on the horizon.

When the global race is over, probably in early May, Soldini will be off to New York in Fila, the 60-foot (18.5-meter) sailboat he built for the Around Alone. And as soon as the weather turns blustery, he and a small crew will set sail in an

attempt to beat the nine-day trans-Atlantic record from New York to England.

The voyage brings with it a measure of unfinished business for Soldini, who failed in a similar attempt two years ago. At that time, a fierce storm undermined his effort less than 400 miles (640 kilometers) from the finish. But more to the point, his girlfriend, Andrea Romanelli, was washed overboard and vanished.

"The last time I tried that record," Soldini said in a telephone interview, "I lost one of my best friends to the ocean in an accident. So now, we want to try again. This racing is a very big walk in

your life. But I think the sea and sailing teach you how to live — not to be too nervous and to understand what's important in life."

Soldini, 33, was one of nine solo sailors who set off Saturday from Punta del Este, Uruguay, the third and last stopover in the 27,000-mile Around Alone competition.

With 5,751 miles to go to Charleston, South Carolina, where the race started last September, Soldini has a commanding lead: 12 days ahead of Marc Thiercelin of France, the next closest competitor in the Class 1 division, for 60-foot sailboats.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

AMERICAN LEAGUE

EAST DIVISION

Team	W	L	Pct.	GB
New York Yankees	10	2	.833	0
Baltimore Orioles	7	5	.583	3
Tampa Bay Devil Rays	2	3	.400	8
Toronto Blue Jays	2	3	.400	8

CENTRAL DIVISION

Team	W	L	Pct.	GB
Cleveland Indians	4	1	.800	0
Chicago White Sox	3	2	.600	1
Minnesota Twins	2	3	.400	2
Kansas City Royals	2	3	.400	2
Detroit Tigers	1	4	.200	3

WEST DIVISION

Team	W	L	Pct.	GB
Anaheim Angels	3	2	.600	0
Seattle Mariners	3	2	.600	0
Oakland Athletics	2	3	.400	1

NATIONAL LEAGUE

EAST DIVISION

Team	W	L	Pct.	GB
New York Mets	4	2	.667	0
Atlanta Braves	3	2	.600	1
Philadelphia Phillies	3	2	.600	1
Florida Marlins	2	3	.400	2

CENTRAL DIVISION

Team	W	L	Pct.	GB
Pittsburgh Pirates	2	2	.500	0
St. Louis Cardinals	2	2	.500	0
Chicago Cubs	2	2	.500	0
Houston Astros	2	2	.500	0
San Francisco Giants	1	3	.250	3

WEST DIVISION

Team	W	L	Pct.	GB
San Francisco Giants	5	1	.833	0
Los Angeles Dodgers	4	1	.800	1
San Diego Padres	3	2	.600	2
Colorado Rockies	2	4	.333	3
Arizona Diamondbacks	1	4	.200	3

JAPANESE LEAGUES

CENTRAL LEAGUE

Team	W	L	Pct.
Yokohama Deiyu	10	2	.833
Hiroshima Toyo Carp	9	3	.750
Yamaguchi Gyakushu	8	4	.667
Osaka Tigers	7	5	.583
Chiba Lotte Marines	6	6	.500
Deiyu	5	7	.417
Chiba Lotte Marines	4	8	.333
Yokohama Deiyu	3	9	.250
Hiroshima Toyo Carp	2	10	.167
Yamaguchi Gyakushu	1	11	.083

PACIFIC LEAGUE

Team	W	L	Pct.
Yokohama Deiyu	10	2	.833
Hiroshima Toyo Carp	9	3	.750
Yamaguchi Gyakushu	8	4	.667
Osaka Tigers	7	5	.583
Chiba Lotte Marines	6	6	.500
Deiyu	5	7	.417
Chiba Lotte Marines	4	8	.333
Yokohama Deiyu	3	9	.250
Hiroshima Toyo Carp	2	10	.167
Yamaguchi Gyakushu	1	11	.083

BASKETBALL

NBA STANDINGS

EAST DIVISION

Team	W	L	Pct.
Orlando Magic	10	2	.833
Atlanta Hawks	9	3	.750
Charlotte Hornets	8	4	.667
New York Knicks	7	5	.583
Philadelphia 76ers	6	6	.500
Washington Wizards	5	7	.417
Boston Celtics	4	8	.333
Indiana Pacers	3	9	.250
Chicago Bulls	2	10	.167
Miami Heat	1	11	.083

WEST DIVISION

Team	W	L	Pct.
San Antonio Spurs	10	2	.833
Phoenix Suns	9	3	.750
Utah Jazz	8	4	.667
Portland Trail Blazers	7	5	.583
Los Angeles Lakers	6	6	.500
Golden State Warriors	5	7	.417
San Diego Clippers	4	8	.333
Memphis Grizzlies	3	9	.250
San Jose Sharks	2	10	.167
Seattle SuperSonics	1	11	.083

ICE HOCKEY

NHL STANDINGS

EAST DIVISION

Team	W	L	Pct.
Philadelphia Flyers	10	2	.833
Pittsburgh Penguins	9	3	.750
Washington Capitals	8	4	.667
New York Rangers	7	5	.583
Florida Panthers	6	6	.500
Atlanta Thrashers	5	7	.417
Boston Bruins	4	8	.333
Montreal Canadiens	3	9	.250
St. Louis Blues	2	10	.167
Chicago Blackhawks	1	11	.083

WEST DIVISION

Team	W	L	Pct.
San Jose Sharks	10	2	.833
Phoenix Suns	9	3	.750
Utah Jazz	8	4	.667
Portland Trail Blazers	7	5	.583
Los Angeles Lakers	6	6	.500
Golden State Warriors	5	7	.417
San Diego Clippers	4	8	.333
Memphis Grizzlies	3	9	.250
San Jose Sharks	2	10	.167
Seattle SuperSonics	1	11	.083

MOTOR RACING

BRAZILIAN GRAND PRIX

SUNDAY IN SAO PAULO

Driver	Team	W	L	Pct.
Mika Hakkinen	McLaren	10	2	.833
Rubens Barrichello	Stewart-Ford	9	3	.750
Michael Schumacher	Ferrari	8	4	.667
Johnny Herbert	Jordan	7	5	.583
Damon Hill	Prost	6	6	.500
Eddie Irvine	Ferrari	5	7	.417
Jean Alesi	Sauber	4	8	.333
Stephane Sarrazin	Minardi	3	9	.250
Olivier Panis	Prost	2	10	.167
Heinz-Harald Frentzen	Jordan	1	11	.083

SUNDAY IN SAO PAULO

Driver	Team	W	L	Pct.
Mika Hakkinen	McLaren	10	2	.833
Rubens Barrichello	Stewart-Ford	9	3	.750
Michael Schumacher	Ferrari	8	4	.667
Johnny Herbert	Jordan	7	5	.583
Damon Hill	Prost	6	6	.500
Eddie Irvine	Ferrari	5	7	.417
Jean Alesi	Sauber	4	8	.333
Stephane Sarrazin	Minardi	3	9	.250
Olivier Panis	Prost	2	10	.167
Heinz-Harald Frentzen	Jordan	1	11	.083

SUNDAY IN SAO PAULO

Driver	Team	W	L	Pct.
Mika Hakkinen	McLaren	10	2	.833
Rubens Barrichello	Stewart-Ford	9	3	.750
Michael Schumacher	Ferrari	8	4	.667
Johnny Herbert	Jordan	7	5	.583
Damon Hill	Prost	6	6	.500
Eddie Irvine	Ferrari	5	7	.417
Jean Alesi	Sauber	4	8	.333
Stephane Sarrazin	Minardi	3	9	.250
Olivier Panis	Prost	2	10	.167
Heinz-Harald Frentzen	Jordan	1	11	.083

SUNDAY IN SAO PAULO

Driver	Team	W	L	Pct.
Mika Hakkinen	McLaren	10	2	.833
Rubens Barrichello	Stewart-Ford	9	3	.750
Michael Schumacher	Ferrari	8	4	.667
Johnny Herbert	Jordan	7	5	.583
Damon Hill	Prost	6	6	.500
Eddie Irvine	Ferrari	5	7	.417
Jean Alesi	Sauber	4	8	.333
Stephane Sarrazin	Minardi	3	9	.250
Olivier Panis	Prost	2	10	.167
Heinz-Harald Frentzen	Jordan	1	11	.083

SUNDAY IN SAO PAULO

Florida	8	1	8-1
Toronto	2	3	4-9

1st Per. T-Berezin 36 (Volk, Penneault) 2, T-

